



DINAS A SIR CAERDYDD  
CITY AND COUNTY OF CARDIFF

**GWYS Y CYNGOR**

DYDD IAU, 28 GORFFENAF 2016

**COUNCIL SUMMONS**

THURSDAY, 28 JULY 2016,

Fe'ch gwysir I fynychu cyfarfod **CYNGOR SIR DINAS A SIR CAERDYDD**, a gynhelir yn Council Chamber - City Hall on Dydd Iau, 28 Gorffennaf 2016 at 4.30 pm I drafod y materion a nodir yn yr agenda atodedig.

*David Marr*

**David Marr**  
**Swyddog Monitro Dros Dro**

Neuadd y Sir  
Caerdydd  
CF10 4UW

Dydd Gwener, 22 Gorffennaf  
2016

<i>Item</i>		<i>Approx Time</i>	<i>Max Time Allotted</i>
<b>1</b>	<b>Ymddiheuriadau am absenoldeb</b> <i>Derbyn ymddiheuriadau am absenoldeb.</i>	4.30 pm	
<b>2</b>	<b>Datgan Buddiannau</b> <i>Derbyn datganiadau buddiannau (i'w gwneud yn unol â Chod Ymddygiad yr Aelodau)</i>		
<b>3</b>	<b>Cofnodion</b> <i>(Tudalennau 1 - 40)</i>  <i>Cymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 30 Mehefin 2016 fel cofnod cywir.</i>	4.35 pm	5 mins
<b>4</b>	<b>DEISEBAU</b>  <i>Cael deisebau gan Aelodau Etholedig i'r Cyngor. yn unol â Rheol 20 Gweithdrefn y Cyngor.</i>	4.40 pm	5 mins
<b>5</b>	<b>Cwestiynau gan y Cyhoedd</b>  <i>Derbyn unrhyw gwestiynau gan y Cyhoedd. yn unol â Rheol 18 Gweithdrefn y Cyngor.</i>	4.45 pm	5 mins
<b>6</b>	<b>Cyhoeddiadau'r Arglwydd Faer</b>  <i>Cael cyhoeddiadau'r Arglwydd Faer, gan gynnwys Cydnabyddiaethau a Gwobrau.</i>	4.50 pm	5 mins
<b>7</b>	<b>Strategaeth ar y Gyllideb</b> <i>(Tudalennau 41 - 90)</i>  <i>Adroddiad y Cyfarwyddwr Corfforaethol Adnoddau a'r Swyddog Adran 151</i>	4.55 pm	45 mins
<b>8</b>	<b>Adroddiadau Blynyddol y Pwyllgor Craffu 2015-16</b> <i>(Tudalennau 91 - 252)</i>  <i>Derbyn Adroddiadau Blynyddol 2015-16 y Pwyllgorau Craffu canlynol:</i>  <i>(a) Pwyllgor Craffu Plant a Phobl Ifanc – gan y Cadeirydd y Cynghorydd Richard Cook;</i>  <i>(b) Pwyllgor Craffu ar Wasanaethau Cymunedol ac Oedolion – gan y Cadeirydd, y Cynghorydd Mary McGarry;</i>  <i>(c) Pwyllgor Craffu ar Economi a Diwylliant – gan y</i>	5.40 pm	50 mins

	<p><i>Cadeirydd, y Cyngorydd Rod McKerlich;</i></p> <p>(d) <i>Pwyllgor Craffu ar Angylchedd – gan y Cadeirydd, y Cyngorydd Paul Mitchell;</i></p> <p>(e) <i>Pwyllgor Craffu ar Adolygu Polisa a Pherfformiad – gan y Cadeirydd, y Cyngorydd Nigel Howells.</i></p>		
<b>9</b>	<p><b>Adroddiad Blynyddol Y Pwyllgor Ymgynghorol Rhianta Corfforaethol 2015/16</b> <i>(Tudalennau 253 - 274)</i></p> <p><i>Derbyn Adroddiad Blynyddol 2015/16 gan Gadeirydd y Pwyllgor Corfforaethol Cyngori ar Rianta, y Cyngorydd Susan Lent.</i></p>	6.30 pm	10 mins
<b>10</b>	<p><b>Datganiadau'r Arweinydd a'r Cabinet</b></p> <p><i>Derbyn datganiadau gan yr Arweinydd ac Aelodau'r Cabinet</i></p>	6.40 pm	45 mins
<b>Hysbysiad Cynnig</b>			
<b>11</b>	<p><b>Hysbysiad Cynnig 1</b></p> <p><i>Noda'r Cyngor :</i></p> <ul style="list-style-type: none"> <li><i>Fod costau gwyliau yn ystod cyfnod traddodiadol gwyliau haf ysgolion yn anghyfartal o ddrud a bod hyn yn effeithio ar deuluoedd yn ein dinas;</i></li> <li><i>Fod teuluoedd am gadw at wyliau haf ysgolion, ond gall cost ormodol gwyliau yn ystod y cyfnodau hynny fod yn rhwystredig, sy'n golygu bod rhaid i deuluoedd ddewis rhwng peidio â chymryd gwyliau o gwbl neu gymryd eu plant o'r ysgol yn ystod y tymor;</i></li> <li><i>Fod cyngorau eraill yn y DU wedi cymryd camau i graffu ar drefniadau tymor yr ysgol fel y maent er mwyn cwtogi gwyliau'r haf ac ychwanegu wythnos o wyliau ar rhyw amser arall yn y flwyddyn ysgol er mwyn i deuluoedd allu mynd ar wyliau'n rhatach.</i></li> </ul> <p><i>Penderfynodd y Cyngor ofyn i Bwyllgor Craffu Plant a Phobl Ifanc wneud dadansoddiad manwl o'r mater ac argymhell opsiynau posibl ar gyfer patrymau'r tymhorau yn y dyfodol er mwyn i'r Cabinet ystyried hynny cyn etholiadau</i></p>	7.25 pm	30 mins

	<p><i>lleol mis Mai 2017.</i></p> <p><i>Cynigiwyd gan: y Cynghorydd Ed Bridges</i></p> <p><i>Cefnogwyd gan: y Cynghorydd Bill Kelloway</i></p>		
<b>12</b>	<p><b>Hysbysiad Cynnig 2</b></p> <p><i>Mae'r Cyngor hwn yn:</i></p> <ul style="list-style-type: none"> <li><i>Cydnabod, er fod Cymru a Lloegr ar y cyfan wedi pleidleisio dros dynnu'r DU o'r UE, bod 60% o bobl Caerdydd wedi pleidleisio dros aros yn rhan o'r Undeb;</i></li> <li><i>Cydnabod y fantais enfawr, yn gymdeithasol ac yn economaidd, a gafodd Caerdydd o fod yn rhan o'r UE;</i></li> <li><i>Nodi bod Caerdydd yn parhau i fod yn brifddinas Ewropeaidd gynhwysol, groesawgar sy'n edrych tua'r dyfodol.</i></li> </ul> <p><i>Felly, mae'r Cyngor hwn yn:</i></p> <ul style="list-style-type: none"> <li><i>Galw ar y Cyngor i barhau i greu a chynnal perthnasau â phobl cyfatebol yn Ewrop er mwyn meithrin y cydweithredu a'r nerth rydym yn eu cael o weithio gyda'n cymdogion agosaf;</i></li> <li><i>Galw ar Arweinydd y Cyngor i ysgrifennu at Stuttgart a Nantes er mwyn eu sicrhau ein bod yn ymroddgar i'n perthynas â nhw fel ein chwaer-ddinasoedd y Ewrop;</i></li> <li><i>Galw ar y Prid Weinidig i weithio â Llywodraeth Cymru i sicrhau bod Llywodraethau Lleol Cymru yn cael cynrychiolaeth lawn mewn unrhyw drafodaethau'r UE ynghylch ein perthynas â'r Undeb yn y dyfodol fel na fydd Caerdydd yn dioddef effaith wael y datblygiadau.</i></li> </ul> <p><i>Cynigiwyd gan: Y Cynghorydd Michael Michael</i></p> <p><i>Cefnogwyd gan: Y Cynghorydd Ben Thomas</i></p>	7.55 pm	30 mins
<b>13</b>	<p><b>Cwestiynau Llafar</b></p> <p><i>Derbyn cwestiynau llafar i'r Arweinydd, Aelodau'r Cabinet, Cadeiryddion Pwyllgorau a/neu Aelodau enwebedig o'r Awdurdod Tân.</i></p>	8.25 pm	90 mins

<b>14</b>	<b>Materion Brys</b>	9.55 pm	5 mins
<b>Materion nas Gwrthwyneba'r Cyngor</b>			
<b>15</b>	<b>Penodi Swyddog Monitro</b> <i>(Tudalennau 275 - 276)</i>  <i>Adroddiad y Prif Weithredwr</i>	10.15 pm	10 mins
<b>16</b>	<b>Atodlen Cydnabyddiaeth Aelodau 2016-2017</b> <i>(Tudalennau 277 - 292)</i>  <i>Adroddiad y Swyddog Monitro Dros Dro</i>		
<b>17</b>	<b>Penodi Rhiant Lywodraethwyr i'r Corff Llywodraethu Dros Dro</b> <i>(Tudalennau 293 - 298)</i>  <i>Adroddiad y Swyddog Monitro Dros Dro</i>		
<b>18</b>	<b>Amrywiaeth i faint Aelodaeth y Pwyllgorau Craffu</b> <i>(Tudalennau 299 - 302)</i>  <i>Adroddiad y Swyddog Monitro Dros Dro</i>		
<b>19</b>	<b>Cwestiynau Ysgrifenedig</b>  <i>Yn unol â Rheolau Gweithdrefn y Cyngor, Rheol 17(f), caiff Cwestiynau Ysgrifenedig eu hystyried a'r ymateb ei gynnwys fel cofnod yng nghofnodion y cyfarfod</i>		

Mae'r dudalen hon yn wag yn fwriadol

## THE COUNTY COUNCIL OF THE CITY &amp; COUNTY OF CARDIFF

The County Council of the City & County of Cardiff met at County Hall, Cardiff on 30 June 2016 to transact the business set out in the Council summons dated 24 June 2016.

Present: County Councillor Walsh (Lord Mayor)

County Councillors Ali Ahmed, Manzoor Ahmed, Dilwar Ali, Aubrey, Bale, Bowden, Boyle, Bradbury, Burfoot, Carter, Chaundy, Clark, Cowan, Kirsty Davies-Warner, Chris Davis, De'Ath, Derbyshire, Elsmore, Evans, Ford, Goddard, Goodway, Gordon, Govier, Graham, Groves, Hill-John, Hinchey, Holden, Howells, Hudson, Hunt, Keith Jones, Margaret Jones, Joyce, Kelloway, Knight, Lent, Lloyd, Magill, Marshall, McEvoy, McGarry, McKerlich, Merry, Michael, Mitchell, Murphy, Parry, Patel, Phillips, David Rees, Dianne Rees, Robson, Sanders, Simmons, Stubbs, Thomas, Ben Thomas, Graham Thomas, Lynda Thorne, Walker, Weaver, White, Wild, Darren Williams and Woodman

## 21 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bridges, Ralph Cook, Richard Cook, Hyde, Javed, Lomax and Morgan.

## 22 : DECLARATIONS OF INTEREST

The following declarations were made en-bloc in relation to Item 7 - Establishment of a Pensions Committee and Participation of the Cardiff & Vale Glamorgan Pension Fund. Members declared a personal interest as Members of the Cardiff and Vale Pension Scheme.

1. Cllr Phil Bale	2. Cllr Sam Knight
3. Cllr Joe Boyle	4. Cllr Julia Magill
5. Cllr Patricia Burfoot	6. Cllr Gretta Marshall
7. Cllr Paul Chaundy	8. Cllr Rod McKerlich
9. Cllr Elizabeth Clark	10. Cllr Neil McEvoy
11. Cllr Jayne Cowan	12. Cllr Sarah Merry
13. Cllr Kirsty Davies-Warner	14. Cllr Michael Michael
15. Cllr Daniel De'Ath	16. Cllr Georgina Phillips
17. Cllr Jonathan Evans	18. Cllr Dianne Rees
19. Cllr Lisa Ford	20. Cllr Adrian Robson
21. Cllr Russell Goodway	22. Cllr Eleanor Sanders
23. Cllr David Groves	24. Cllr Benjamin Thomas
25. Cllr Gavin Hill-John	26. Cllr Huw Thomas
27. Cllr Gareth Holden	28. Cllr David Walker
29. Cllr Nigel Howells	30. Cllr Monica Walsh
31. Cllr Lyn Hudson	32. Cllr Susan White
33. Cllr Margaret Jones	34. Cllr Monica Walsh
35. Cllr Bill Kelloway	

The following additional declaration was made: -

Councillor	Item	Interest
Councillor Boyle	Item 8 – Education Statement	Personal interest as spouse works for School of Modern Languages, Cardiff University and involved in Welsh Government Global Futures Strategy

23 : MINUTES

The minute of the Annual meeting 26 May 2016 were approved as a correct record and signed by the Chairperson, subject to an amendment to Minute No 20 – Urgent Business – Waiver of the six month Councillor Attendance Rule.

24 : PETITIONS

The following petitions were submitted:

Councillor McEvoy: 151 signatures - requesting the Planning Authority to put the approved development at Clos y Cwarra on hold pending further discussions on another access to the site.

Councillor Mitchell: 723 signatures – objecting to a supermarket chain store at the Bulldog, Fairwater

Councillor Mitchell: 44 signatures - calling on the Council to provide Nursery Unit for Fairwater Primary School.

Councillor Gordon: 308 signatures calling on the Council to make the National Express Bus Stop at Sophia Gardens safer and sheltered for senior citizens and disabled people and children.

Councillor Hudson: 50 signatures – requesting the Council to address the long standing parking issues caused by non-residents parking at Crystal View.

Councillor Carter: 56 signatures - calling on the Council for urgent action to be taken to fix/resurface Ael-y-Bryn.

Councillor Ali Ahmed: 15 signatures – requesting the Council to provide residents parking for 7 – 19a Loudoun Square.

Councillor Gretta Marshall: 106 signatures – requesting improvements to traffic management facilities in Clydesmuir Road, Tremorfa.

25 : LORD MAYOR'S ANNOUNCEMENTS



The Lord Mayor was delighted to report on the following:

Queen's Birthday Honours List

The Lord Mayor congratulated all those citizens of Cardiff who had been honoured by the Queen in her 90<sup>th</sup> Birthday Honours List.

Award	Name	Citation
Commander of the Royal Victorian Order	Dr Peter BECK	Lord Lieutenant of South Glamorgan
Medal of the Order of the British Empire	Ms Caroline Ann BOVEY	Chair, Lesbian, Gay, Bisexual and Transgender Advisory Group, Aneurin Bevan University Health Board. For services to Equality in the NHS in Wales.
Officer of the Order of the British Empire	Mr Dennis GETHIN	President, Welsh Rugby Union. For services to Welsh Rugby.
Knight Bachelor	Dr David GRANT CBE FRENG	For services to Engineering, Technology and Skills in the UK.
Member of the Order of the British Empire	Professor Helen Louise Ann HOUSTON	Professor of General Practice, School of Medicine, Cardiff University. For services to Medical Education and Health Services in South Wales.
Commander of the Order of the British Empire	Professor Laura Jean MCALLISTER	Chair, Sport Wales. For services to Sport in Wales.
Commander of the Order of the British Empire	Professor Peter MCGUFFIN	Clinical Psychiatrist, King's College London. For services to Biomedical Research and Psychiatric Genetics.
Queen's Police Medal for Distinguished Service	Stuart PARFITT	Superintendent, South Wales Police
Member of the Order of the British Empire	Ms Margaret PRITCHARD DL	Lately Chief Executive, George Thomas Hospice Care. For services to Palliative Care in Cardiff.

The Lord Mayor in particular congratulated Dr Peter Beck, Lord Lieutenant of South Glamorgan on his highly deserved honour of being made a Commander of the Royal Victorian Order by Her Majesty the Queen.

Dr Beck would be retiring as Her Majesty's Lord Lieutenant of South Glamorgan on 4 July 2016 after 8 years' service. On behalf of all former Lord Mayors and Members of Council the Lord Mayor would be writing to Peter and Lyn to wish them a happy and healthy retirement.

Conduct of Meetings

The Lord Mayor set out for Members her desire that when in the chamber there is constructive and lively debate with respect for each other's views when discussing and debating the important issues for this Council this year.

#### Cross Party Statement

The Lord Mayor was proud Cardiff as the Capital City is strongly committed to welcoming people from across Wales and the globe. The diversity and inclusivity of the all our communities is what makes Cardiff so special and successful, and as Elected Members working in our communities we should reassure all people living in our areas that they are valued members of our community.

#### Recognition and Awards

##### Launch of Cardiff 2020

On the 30<sup>th</sup> June, over 400 people, including education and business professionals, came together at City Hall for the launch of 'Cardiff 2020' - the renewed vision for education.

The vision sets out how the Council will accelerate education achievements in Cardiff to ensure all children and young people have the opportunity to succeed.

At the event, Professor Patricia Price, Cardiff University Vice Chancellor delivered a keynote speech at the launch. The Leader of the Council, Cllr Bale, spoke about the vision for the city as part of the Cardiff 2020. Members of Cardiff Youth Council also put across the expectation of young people.

You can view 'Cardiff 2020' online on the Council's website.

##### Celebrating our staff on Public Service Day

On the 23<sup>rd</sup> June, the Council proudly showcased the achievements and hard work of Council staff that help make the difference as part of the United Nations' annual international Public Service Day.

Throughout the day regular profiles, facts and stats were posted about the work our staff do across the organisation on the Council's [Facebook page](#) and Twitter accounts and on the staff intranet. Our activity on the day was reached by a staggering 1.4 million people world-wide through retweets, likes and shares, which is fantastic for the staff who got involved.

##### Victoria Park Splashpad now open to the public

The new Splashpad in Victoria Park officially opened on Friday, 24<sup>th</sup> June. Year 4 pupils from local primary schools were invited to come along to the official opening and be the first to experience the facility's 33 exciting water play features.

The design, which was chosen by the public, was a big hit on the opening day.

Well done to everyone who helped deliver this fantastic new attraction in time for the summer holidays.

'In Cardiff' - Council newspaper.

It was great to see the Council's brand new newspaper, 'In Cardiff' launched last month. It's had a major refresh and name change, packed full of the latest news, events and developments in the city.

Copies are no longer delivered to all households in the city after research told us that residents would be happy to pick up In Cardiff to help us save money. So that's what we've done!

It's available free at selected supermarkets and some convenience stores, as well as libraries, community hubs, leisure centres and public buildings across the city.

In Cardiff will be published quarterly - every Summer, Autumn, Winter and Spring, so keep a look out!

You can also the very first edition in [English](#) or [Welsh](#) via the Council's website.

Susanna shares tea with the Queen

Well done to Susanna Thomas, Senior Branch Librarian who was one of the lucky guests in attendance at a recent garden party at Buckingham Palace.

Susanna was nominated for the extra work and events she offers at Rhydypennau Library. Welsh Labour Assembly Member for Cardiff Central saw the hard work being done by Susanna and nominated her for the event.

Cardiff Market new look

Cardiff Market has been given a brand new look which was unveiled last month.

Councillor Graham Hinchey cut the ribbon on the colourful new signage which it is hoped will help increase footfall to the historic Market.

The Grade II Listed market has been serving the people of Cardiff since 1891. To this day the 63 stallholders, spread over two floors, continue to offer a wide range of products and services - everything from florists and fishmongers to barbers and birthday cards.

Binfo App is now available to download!

A free app which advises Cardiff residents on the type of waste to put out for collection is now available to download.

The Binfo App is compatible with all tablet devices and smartphones and once postcode details have been entered it will remind users about the type of waste that will be collected in their area that week.

The app will also provide guidance on the correct content for each type of waste container and also advise residents about disruption to services due to Bank Holidays. Users can also use the app to set collection reminder alerts at a time that suits them.

The app compliments an array of reminder services currently available and next month a new email service will also be added.

These services are accessible via the following webpage:  
[www.cardiff.gov.uk/recycling](http://www.cardiff.gov.uk/recycling) and current subscribers of Tidy Text will receive instructions on how to remain on this service.

Wales International Football Team

Finally, Cardiff, the elected Members and citizens were rightly extremely proud of our national football team success so far in Euro 2016 and wished them every success in the next stage of the competition.

26 : WELSH LANGUAGE STANDARDS: ANNUAL MONITORING REPORT  
2015- 2016

The Council received the Welsh Language Monitoring Report for 2015-16 for consideration and approval prior to publication in accordance with the Welsh Language Standards under Welsh Language (Wales) Measure 2011.

The report was proposed by the Leader of the Council Councillor Bale and seconded by Councillor Huw Thomas. In commending the report and the progress being made the Leader highlighted the Council's commitment and significant progress in ensuring equality between the Welsh and English languages by actively promoting and supporting the Welsh language and increasing its capacity to deliver bilingual services; the impact of the Hen Llyfrgell - Welsh language Cultural centre; and following the introduction of the Welsh Language Standards the importance of compliance; and the support being given to ensure bilingualism in the workplace and for service users.

The Chair of the Bilingual Cardiff Member Group Councillor Huw Thomas welcomed the cross party support on the group; the successes achieved to date to drive bilingualism and cultural diversity in the city; the need for greater nurturing of services; availability of bilingual opportunities in leisure time. He welcomed the work being taken forward by the Welsh Language Centre and the achievement of common standards for the language to ensure a bright future for the language in Wales.

Members welcomed the progress made; underlined the importance of Welsh Medium Education and adequate provision of places and youth services. Members had some concern that they were not fully aware of the implications of the standards in relation to community and printed information.

RESOLVED – That the Welsh Language Monitoring Report be approved for publication in accordance with the Welsh Language Standards under Welsh Language (Wales) Measure 2011.

27 : ESTABLISHMENT OF A PENSIONS COMMITTEE AND PARTICIPATION  
OF THE CARDIFF & VALE OF GLAMORGAN PENSION FUND

The Council was requested to consider and approve the establishment of a Pensions Committee and for the participation of the Cardiff & Vale of Glamorgan Pension Fund in the proposed Wales Investment Pool for the eight LGPS funds in Wales.

The Cabinet Member for Corporate services and Performance, Councillor Hinchey commended the report and the proposals to Council, and this was seconded by Councillor Hunt.

Members were in agreement with the proposal.

RESOLVED – That the Council

1. agreed to participate in the Wales Investment Pool and delegates authority to the Corporate Director Resources in consultation with the Chair of the current Investment Advisory Panel to agree the submission of the Wales Investment Pool to the DCLG by 15 July 2016
2. approved the establishment of a Pensions Committee with the terms of reference set out in Appendix 3 and the amendment of the delegated authority of the Corporate Director Resources as set out in Appendix 4.
3. subject to approval of the recommendation 2, authorised the Interim Monitoring Officer to make the necessary amendments to the Constitution.
4. noted the proposed establishment of a Joint Governance Committee and receives a further report on this matter in due course.

28 : LEADER STATEMENT (ECONOMIC DEVELOPMENT & PARTNERSHIPS)

#### EU Referendum

The Leader drew attention to the cross-party statement that was issued by the Council on 27 June 2016 following the result of the EU Referendum that was held on 23 June 2016. As was made clear in the statement, this Council – and its partners – are strongly committed to building on Cardiff's history as a city of the world. Cardiff is a city which has welcomed people from across Wales and the globe to come and settle here. A City of Sanctuary.

The result is one of the UK's most successful and cosmopolitan cities in which people of all nationalities and ethnic backgrounds have historically made – and continue to make – a valuable contribution to the delivery of public services in Cardiff and to the local economy through their skills, knowledge, experiences and entrepreneurialism. It is essential that everyone recognises the strength that comes from our diversity and the role it plays in making our city great. The Leader urged Members to express their support for this position by undersigning the cross-party statement at this month's Council meeting.

A report on the implications of the EU Referendum result for Cardiff is expected to be considered by the Cabinet on 14 July 2016. In addition, the Leader met (28 June

2016) with Cardiff Public Services Board members to discuss the implications of the EU Referendum result on public services and our communities.

#### Cardiff Capital Growth and Competitiveness Commission

On 28 June 2016, the Leader joined with the other Leaders and Chief Executives of the 10 local authorities involved in the Cardiff Capital Region City Deal, as well as leading members from the business and education communities, in Merthyr Tydfil for the launch of an independent city region commission which has been appointed to lead the development of the Cardiff Capital Growth and Competitiveness Commission. This commitment formed part of the £1.2bn City Deal agreement that was signed in March 2016.

The Commission will be chaired by international city-region expert Professor Greg Clark and includes the following appointed commissioners: Alexandra Jones – Chief Executive, Centre for Cities; Kevin Gardiner – Global Investment Strategist, Rothschild, and Helen Molyneux – Chief Executive Officer, New Law. Additional Commissioners will also be appointed over forthcoming weeks.

The Commission's remit will be to review the evidence about the functional economic area, and advise how best to generate Gross Value Added growth and support the ambitions of a dynamic capital region in a successful Welsh Economy. It will also examine the challenges and opportunities for economic growth and competitiveness and make recommendations for how the Cardiff Capital Region can achieve its full growth potential and contribute most to the Welsh economy.

The Commission will gather evidence from community leaders, business and stakeholders before producing a report on how best the City Deal can be utilised to ensure economic growth across the Cardiff Capital Region. It will also analyse and evaluate the expert argument that will be devised by both Cardiff University and the Centre for Cities. The Commission's findings and independent recommendations for the future economic strategy for the region are due to be concluded and announced at a conference in the Autumn.

#### Cardiff Central Station Redevelopment

As part of ongoing discussions to secure UK Government funding for the redevelopment of Cardiff Central Station, the City of Cardiff Council, on behalf of the wider Cardiff Capital Region, is engaged in discussions with the UK Government Department for Transport about the future of Cardiff Central Station. I met recently with the UK Government Secretary of State for Transport, Rt. Hon. Patrick McLoughlin MP, on 8 June 2016 along with the Leaders of the other Core Cities. I also met with the Secretary of State for Wales, Rt. Hon. Alun Cairns MP, on 13 June 2016 to discuss this matter.

At present, there is no clear commitment by Network Rail on a future start date for any work to redevelop Cardiff Central Station, which is why the Council is working to secure a firm commitment from the UK Government to work with Network Rail to prioritise funding to undertake the necessary technical feasibility, cost and detailed design works required to enable a decision to be taken by the Department for Transport and Network Rail on the comprehensive redevelopment of Cardiff Central Station.

A decision on funding for this major redevelopment project needs to be taken now so that preparatory work is undertaken as soon as practicable and will ensure that work can commence on site in 2019 at the beginning of Network Rail's Control Period 6, which runs from 1 April 2019 to 31 March 2024. Consultation on Network Rail's plans for Control Period 6 and related funding provision is currently being undertaken by the rail regulator, the Office of Rail and Road (ORR), as part of their Periodic Review 2018.

The Leader had written to key stakeholders seeking their support for our approach and urging them to also make appropriate representations to the UK Government and Network Rail on this important matter. It is vital that work to redevelop Cardiff Central Station is undertaken alongside ongoing work to redevelop Central Square and to provide a new bus station.

#### UEFA Champions League Final 2017

Last month, the Leader joined a Football Association of Wales (FAW) delegation in attending the 2016 Champions League Final in Milan between Real Madrid and Atletico Madrid. The visit provided an opportunity to learn more about the logistical requirements of hosting the world's most-watched annual sporting event with an estimated global TV audience of 200 million people in over 200 countries. Discussions held with representatives from UEFA and the Milan authorities will inform planning and preparations and for next year's Champions League Final, which will be held in Cardiff at the Principality Stadium on Saturday 3 June 2017. However, as part of the hosting agreement between UEFA and the FAW, the stadium will be referred to as the National Stadium of Wales solely for the purposes of the Champions League Final due to UEFA rules on sponsorship of the host venue.

#### Council Elections

The Welsh Government Cabinet Secretary for Finance and Local Government, Mark Drakeford AM, confirmed in Plenary in the National Assembly for Wales on 22 June 2016 that Councillors who are elected in the next local council elections to be held on 4 May 2017 will serve a full 5 year term until 2022.

This was confirmed in a Written Statement that was issued the following day in which the Cabinet Secretary for Finance and Local Government further confirmed that the Local Democracy and Boundary Commission for Wales will return to its normal 10-year cycle of electoral reviews. He expects the Commission to publish a new, prioritised programme as soon as possible, which will ensure that electoral reviews are completed for all existing 22 local authorities by 2022 and take into account the age of the current arrangements in some areas and the amount of change that has taken place since the last review was undertaken. He also made clear that discussions on the local government reform agenda in Wales are ongoing with local authorities and other stakeholders and he expects to propose a way forward on local government reform in the autumn.

#### Well-being of Future Generations (Wales) Act 2015

The Leader met with Wales' Future Generations Commissioner, Sophie Howe, on 23 June 2016. The meeting provided an opportunity for the Council to update the Commissioner on our ongoing work to implement the statutory requirements of the Well-being of Future Generations (Wales) Act 2015, including the establishment of a

new Cardiff Public Services Board, which the Leader chairs and which met for the first time on 24 May 2016.

The Lord Mayor invited questions on the Leader's statement and the Leader responded to the matters raised. The Leader reassured Members on matters of racist and xenophobic behaviour in the city and work being undertaken with partners that in working with communities and groups to deal with incidents that may occur and ensure that citizens are able to feel safe in the city. Cardiff is a multi-cultural city and the strong message is that we welcome people to our great city.

In relation to the Central station development and the City Deal the Leader advised that the Council was pursuing commitments made by the UK Government to these initiatives, working with partners and stakeholders to deliver the best outcomes for Cardiff and the region. The Leader supported the city regional development approach and believed that this was a sensible way forward despite the demands on regional Leaders. The leader confirmed that the finalised projects to go into the City Deal had not yet been determined but the Council was committed to looking after and improving its natural environment.

The Cabinet Member in response to a question of Local Government Re-organisation and directly Elected Mayor, the Leader advised that the new Welsh Government Minister for Local Government had made a statement and it was appropriate for him to reflect and review and the final outcome will depend on the discussions going forward.

## 29 : CORPORATE SERVICES AND PERFORMANCE STATEMENT

### Operational Property

Last year was an active year in with the Councils operational estate. The estate was reduced in size by 275,000 sq. ft. through freehold and leasehold relinquishments such as Global Link. This realised a saving in £1m per annum in running costs and cleared a £4.4m maintenance backlog. In addition the council realised £6.8m in capital receipts, £4.5m was reserved for the capitalisation direction.

The Strategic Estates Department has drafted its second Corporate Asset Management Plan for 2016-17. The plan sets out the strategic direction for the Councils vast estate for the next year and has the same targets as last year targets in terms of reducing the running costs, maintenance backlog, size and also delivering capital receipts. The key themes of the Councils property strategy are; modernisation, rationalisation and collaboration and the strap line 'fewer, but better buildings' summarises the overall estate strategy.

### Finance - 2015/16 Outturn

The revenue outturn position showed a surplus of £1.696 million after contributions to and from reserves as compared to the surplus of £988,000 reported at month nine. The improvement reflected a number of factors including a significant improvement to the directorate positions at the year end, a higher surplus on Council Tax and an increase in non-domestic rate (NDR) refunds on Council properties following successful appeals to the Valuation Agency. Additional funding of £862,000 was also received in relation to the Outcome Agreement Grant as a result of confirmation from



the Welsh Government regarding meeting the agreed outcomes and successful performance in relation to 2014/15. These were partly offset by a reduction to the previously reported underspend on capital financing as a result of utilising the underspend to pay off historic premiums and penalties relating to rescheduling of borrowing undertaken in previous years. This will enable savings to be released in support of the 2017/18 budget strategy. Contributions were also made to reserves including £1.0 million, which as set out in the Budget Report forms part of the funding for the 2016/17 Budget.

A new Local Authority Trading Company (LATC) for Procurement was agreed at this month's Cabinet meeting. This is the first Alternative Delivery Model (ADM) to be achieved.

#### Finance - Mobile and Agile Working for Social Care Staff

Mobile working for carers is now fully rolled out and covers around 150 staff. They are using both the scheduling tools and the mobile working tools to streamline both the back office staff tasks and the carers. We are in final stages of system handover and user adoption. The project to mobilise the Adults and Children's service staff leaving Global link continues with over 200 users currently using new laptops or tablets in order to improve the way they work allowing them to work in a very flexible manner. Over 80 touch-down points have been created across the city where staff can call in to work or use facilities such as printing or recharge their devices. The second phase of the rollout commences from 1<sup>st</sup> of September with around 500 staff in scope of the new mobile and agile working project all together. By the second phase we will have Office 365 and Skype for Business available as well as hopefully the ability to access email directly from a mobile phone without the use of Good – this is currently under evaluation.

#### Human Resources - Employee Health and Wellbeing Policy

An Employee Health & Wellbeing Policy was approved by Cabinet on 16 June 2016. Identified as a priority by employees following the 2015 Employee Survey, the 3 year Employee Health & Wellbeing Strategy provides a framework for the Council to help improve the health & wellbeing of its workforce. Actions include: improving accessibility of information, guidance and support for all employees, progressing identified health promotion activities, support for specific initiatives such as Time to Change Wales (mental health) and Corporate Health Standard, piloting specific training programmes relating to achieving a better understanding of how best to support employees with mental health issues, drug and alcohol issues, and securing feedback from employees to help develop priorities for 2017/18.

#### Human Resources - Time to Change Wales pledge signed

On 26 May 2016, the Leader and Cabinet Members attended the Time to Change Wales staff event held at County Hall. The Chief Executive, Paul Orders and Corporate Director of Resources, Christine Salter signed the Time to Change pledge on behalf of staff, a public declaration of the Council's commitment to ending the stigma and discrimination around mental health. In addition to external guest speakers, those attending the event heard the personal experience from two employees who shared their personal experiences of how mental health has affected them and their lives. The event helped break the silence around mental health and

allowed staff find out more about the help and support available, as well as take advantage of complimentary holistic therapies on offer.

Human Resources - New Director for Governance and Legal Services

Cabinet Members and Human Resources would like to confirm their support and offer a welcome to Davina Fiore into the role of new Director for Governance and Legal Services. Davina will be starting in her new role on the 19 September 2016.

Human Resources - PPDR Compliance and Sickness Absence

Personal Performance Development Review (PPDR) achieved its target of 90% at the end of year.

End of year sickness and absence continues to show a steady and gradual decline over the last four years from 11.49-9.56. Our Employee Assistance Programme is now been in operation since mind November and feedback from staff and trade union representatives have been encouraging, allowing early intervention and support across a wide range of subjects.

Web Team and Connect 2 Cardiff

During the month of May Cardiff's website received 167k visitors who viewed a total of 668k pages; over half of the visitors accessing the site used a mobile device.

Recycling and Waste continued to be our most popular section with over 90k page views. There was also a noted increase to 19k page views related to Voting and Elections; a fifth of these customers searching for their local polling station. Pages for the Lord Mayor increased by 56%, with 1,252 page views in total following the announcement of the new Lord Mayor for 2016/17.

Our online services continue to grow in their usage with 69% of all parking permit applications made online. 48% of our customers who chose to appeal a parking/traffic fine chose to do so online and nearly 3k customers chose the web to access their Council Tax information. Online payments have continued to be successful with 13k transactions bringing in £1.2m."

During the second busiest month of 2016 for the contact centre, days lost to sickness absence was reduced by 2% when compared to April and is also a 40% improvement to where we were in May 2015.

PPDR open-up reviews for 2016/17 took place for all available staff and C2C have achieved a 95% completion rate.

The service centre replied to 5722 customer emails which waited on average just 10 hours and 30 minutes before receiving a response. This speed of service helped contribute to a 96% customer satisfaction result and the receipt of 12 customer compliments.

The Cabinet Member in response to questions on his statement to the issues raised around employee engagement initiatives in schools; and the importance of analysing data from the website on service delivery and this information being considered by Cabinet Members and officer.

In response to budget pressure and demands on services, work is ongoing to mitigate through modernisation and greater analysis of service requirements. The operational overspend in Social Services had slowed down, but it is difficult in these areas to get away from rising service demands.

## 30 : EDUCATION STATEMENT

### Cardiff 2020

In May the Cabinet approved “Cardiff 2020 – Aiming for Excellence” which sets out the long term improvement strategy for education and learning in Cardiff.

Our vision is that all children and young people in Cardiff attend a great school and develop the knowledge, skills and characteristics that lead them to become personally successful, economically productive and actively engaged citizens. Our mission statement is that through excellent education and learning for all children and young people we strengthen economic prosperity, wellbeing and social cohesion in Cardiff.

Underpinning it our values are:

- Supporting the development of happy and resilient learners, with a focus on both academic achievement and personal well-being.
- Equality of opportunity and championing the success and life chances of all children by narrowing the gap in education outcomes.
- Working openly and collaboratively with each other and sharing knowledge, practice and learning.
- Raising the aspirations of all children and young people and our expectations of what they can achieve, irrespective of their background or need.
- Embracing diversity, practising tolerance and respect for ourselves, our communities and our environment.
- Celebrating the success of pupils, practitioners and schools at every opportunity.

Our key goals are:

- Excellent outcomes for all learners – with consistently high expectations for all learners. That we address barriers to learning to ensure no child or young people are “left behind” with a flexible and engaging curriculum and a focus on high quality teaching at the heart of every school.
- A high quality workforce – our aim is to attract the best people to lead and work in our schools. To recruit, retain and develop staff at all levels.
- 21<sup>st</sup> Century learning environments – to ensure there are appropriate, high quality place for our children and young people and that schools are strongly connected to their communities.
- A self-improving school system- that schools collaborate building the capacity for collective improvement across the system.
- Schools and Cardiff in partnership – we recognise the links between schools and the communities they serve but also aim to work with all our partners including businesses and the arts.

For each of the goals there is a plan of action and success measures.

As a fast growing city we face challenges but we are determined to face them to ensure that all our children have the best start in life and can play a full role in the life of the city both as citizens and economically.

The Lord Mayor invited questions on the education statement. There was a particular concern in the funding from EU which championed opportunities and life chances of children by narrowing the gap in education outcomes. Additional concerns were raised from the Language Trends Wales report in relation to the significant reduction in the number of Welsh students studying a foreign Language to GCSE, and the need for a higher emphasis on the teaching and studying of modern-language in schools.

### 31 : COMMUNITY DEVELOPMENT, CO-OPERATIVES AND SOCIAL ENTERPRISE STATEMENT

#### Brand New Community Hub Opens in Fairwater

The Cabinet Member was pleased to announce that Fairwater Hub opened its doors for the first time on Monday 16th May, bringing improved and extended citizen services to the area. Considerable refurbishment via the Community Hubs project has seen the former Fairwater Library building on Doyle Avenue upgraded and extended into a bright, colourful and multifunctional Hub. The Council and partner agencies will now deliver services from this single location, allowing customers to engage with the Council more easily, and to access key information and amenities more quickly and conveniently than ever before.

Trained staff are on hand at the new facility to help visitors utilise the Hub services, which include a full Library service, quiet area and space for children's events, a full Housing and Benefit service and Into Work Advice. Private interview rooms and a meeting room are also available, and there will be regular visits from partner organisations to provide specialist help and advice. The Hub further boasts an IT suite with public PCs, free internet and Wi-Fi access, and free phones to contact the Council and other services. The community's reaction so far has been extremely positive.

Members are invited to the official launch of the Hub on the 15th July.

#### Fanzone

The Cabinet Member was pleased to congratulate the Welsh Football team for their outstanding achievements to date in respect of the 2016 UEFA European Championship.

The Welsh team is leading the way, with their passion and commitment in the way they are playing football and we should all be proud of the way that as a Council of the Capital City we have played our part in supporting this historic achievement through the provision of a community Fanzone for every Welsh game. The Fanzone in Coopers Field has proved a great success and its popularity continues to grow as the team progresses through the stages. The Cabinet Member thanked a number of key partners for their support in the delivery of this initiative Norman Sayers of

Sayers Amusements Ltd, BBC Wales who are the official media partners, and FAW for their support in delivering the Sport Cardiff attractions on site. Capital FM and of course South Wales Police have also played pivotal roles in the success of the Fanzone to date and thank them for their support.

This competition is a further opportunity to put Wales on the world stage, with images of the home support at the Cardiff Fanzone beamed around the world. This is fantastic for the city and a real boost to the team to see the demonstration of support from home. We wish them all the best on Friday against Belgium.

The Lord Mayor invited questions on the statement and Members were supportive of the Fanzone and also the opportunity for collections to be made in support of the Lord Mayor's Charity Cancer Research Wales

## 32 : SKILLS, SAFETY AND ENGAGEMENT STATEMENT

Cardiff Youth Council (CYC) is the official network for young people in the capital. CYC & Cardiff Council have committed to co-producing 3 Grand Council events at the City Hall during the academic year 2016/7.

A Grand Council provides young people from schools, colleges and youth organisations the opportunity to take part in conference style, daylong event with themed workshops and debates to help shape the city.

Decembers Grand Council focused on 'What Matters To Future Generations' which gave delegates the chance to voice their opinion on the council's budget proposals and the What Matters strategic plan.

March's Grand Council enabled young people to join Cabinet Members to discuss the future direction of the city.

The Grand Council on July 6<sup>th</sup> will enable young people from schools across Cardiff to join a number of representative guests from across South Wales.

The theme for the day is the UK Youth Parliament (UKYP) national initiative - Make Your Mark. In 2015 this initiative enabled 7,500 from Cardiff and 1 million 11-18 year olds from across the UK to identify their top issues.

These issues are then debated by MYP's (Members of Youth Parliament) in the House of Commons each November. MYP's then vote to set national priorities and campaigns for the coming year. CYC then use the Cardiff data to set local priorities and run campaigns to make Cardiff a better place to live, work and play.

At the Grand Council event delegates will receive information and training to be able to take Make Your Mark back into their communities to enable their school to take part in Europe's biggest youth consultation! The event will also including CYC sharing the outcomes from its 2015/16 campaigns which originated from Make Your Mark.

The Cabinet Member will be co-hosting the event with Elin Bold and Stephanie Ezeadum recently elected MYP's for Cardiff.

The Cabinet Member in response to questions on his statement advised that following consultation with young people it was decided that the best and most strategic approach was to create a youth-engagement strategy; and to commit to making Cardiff a child-friendly city.

### 33 : ENVIRONMENT STATEMENT

#### Parks

The Cabinet Member was pleased to report on-going activity in respect of our community and outreach programmes in parks that last financial year attracted in the region of 23,000 volunteer hours.

Through grant funding from Natural Resources Wales we are continuing to develop our volunteer hub at Forest Farm and are currently piloting a Volunteer Induction park for prospective volunteers which sets out the opportunities that exist and the preparation required, to enter the world of volunteering.

We continue to work with stakeholders of the Volunteer Development Partnership Group, in particular, the Cardiff Rivers Group and Keep Wales Tidy and whereby a series of community based litter picks aimed at improving the local environmental quality have been undertaken during the first quarter of the year.

The Urban Buzz project is also gathering pace, the project is enabling local communities to improve areas for pollinators, in doing so contributing to the Pollinator Action Plan for Cardiff. In this respect it has been a very busy spring with over 20 new sites being introduced, including schools, libraries, community centres, Cardiff University and Cardiff Council.

The Parks service is currently hosting two students from the Horticultural College of our twin city of Nantes for a period of two weeks and linked to their course of study.

Our partnership with the RSPB goes from strength to strength and I am delighted to confirm that following the success of TAPE in Bute Park last summer, another experience called In the Eyes of the Animal will feature from 15 July 2016 through to 4 August 2016. Using technology to change park user's perspectives and reinterpret the natural environment, virtual reality headsets and motion packs will convey a multi-sensory journey all through the eyes of animals native to the park.

The Victoria Park Splashpad was officially opened by the Lord Mayor on 24 June, pupils from schools in Canton attended the opening and were the first to use and enjoy the new facility. The fantastic splashpad includes sprays, jets, a tipping bucket spread across three zones designed for toddlers, juniors and families.

### Bereavement Services

Bereavement Services are working with Protocol and Parks Services to prepare for the unveiling of the Cardiff Great War Memorial at Hendre Lake on 7 July 2016. The date for the unveiling has been specifically chosen to commemorate the Battle of Mametz Wood. All Councillors along with schools from across Cardiff have been invited to attend alongside other invited guests and the general public.

Bereavement Services has also held the annual Baby Memorial Service at the Wenallt Chapel which is arranged in partnership with Sands and the University Hospital of Wales Chaplaincy Department.

In Cathays Cemetery successful walks have been held throughout June in partnership with the University of South Wales. Pollinator planting with Buglife has also been carried out at Cathays Cemetery with 750 plug plants being planted at the cemetery with local schools, Friends of Cathays Cemetery and Community Payback.

### Recycling Performance

#### (i) Education Activities

- June is a busy month with the students leaving us for the end of term. Our “get it out campaign” is in full swing. With extra resources to tackle the large volumes of extra waste presented at this time of year.
- The new waste app has now been launched and is available for people to download. Not only does this provide the same service as tidy text, it also provides information on what can be recycled and goes in each container. A text and email reminder service are still available for those without a smart phone.

#### (ii) Collections

- Very pleased to state that we are progressing with new in cab technologies for waste management. It will take us a year to procure the right systems but they will give us much more visibility of collection issues and a better quality service for residents. It will also mean the diamond sticker for registered collections will no longer be required once the system is fully operational.

#### (iii) Household Waste Recycling Centres (HWRC's) and Reuse

- The reuse tenders will be issued in the next two weeks to secure a partner for free household reuse collections and develop a reuse shop in partnership with us.

The Cabinet Member in responded to questions on his statement around biodiversity and he undertook to clarify practices with the service area. Members were interested in the volunteering hours which related to city wide operations and not specific volunteering around allotments. In addition matters were raised in relation to the success and additional resources for the ‘Get it out for Cardiff’ campaign this year;

and in cab technology for waste vehicles and the importance of getting these initiatives right.

Members welcomed the new bin app which is user friendly and gives timely notifications.

34 : ORAL QUESTIONS

Question: *County Councillor Chaundy*

Can the Council list any projects that might be affected by the possible withdrawal of EU funding?

Reply: *County Councillor Bale*

The Council is currently participating in two EU-funded projects under the European Structural Investment funds for 2014-2020. They are the Inspire 2 Achieve and Communities for Work, which are both supported by the European social fund. The Council also has a number of other projects in the pipeline, including Inspire 2 Work, which is an ESF project currently at business-planning stage with the Welsh European Funding Office, and three Interreg Atlantic Area proposals pending approval.

How the referendum result might actually affect these and other projects is subject to UK negotiations with the European Commission. However, what is certain is that the Council will continue to be able to lead or be a partner in those applications for EU funding, at least until the end of the two-year period that will be triggered when, or indeed *if*, the UK Government invokes Article 50 of the Treaty of Lisbon.

Supplementary question: *County Councillor Chaundy*

Have you got a plan at the moment or how that will be addressed – at either Welsh Government or Parliament level and have you got a cunning plan in place to get that funding one way or another, and if there is, where is it?

Reply: *County Councillor Bale*

Welsh Government have made clear that they want to make sure that any of those programmes are in place through the life of the current programme through to 202, that will provide some time for transitional arrangements. They will continue to lobby Cardiff through the WLGA is also very active in terms of ensuring that the voice of Local Government is heard when those negotiations kick off in earnest when the Article is triggered with the UK Government to the European Commission.

Question: *County Councillor Walker*

The Leader and his Cabinet took a decision at Cabinet on 15 May 2014 to “carry out procurement processes for the future management of the Council’s leisure centres and arts venues.” Officers were delegated by this decision, over two years ago, to



take this decision forward, but outcomes are still awaited. This prevarication has continued with other improvement plans being placed on hold with belated referrals back to Council managers in-house, to take their operational performance to acceptable levels.

If it was the case that our own managers could have made the improvements needed, why were they not challenged and given the freedom to do so in 2012 when Labour took power or in 2014 when you became Leader? Had you possessed the courage and insight to act then, their potential and effectiveness could already have been assessed. Instead, below par performance continues to be tolerated and inactivity prevails as your administration approaches the end of its five-year term.

Reply: *County Councillor Bale*

Clearly, the recent quarter four performance report includes details of the current position in relation to these processes.

In terms of leisure, the call for final tenders from the two remaining bidders has been made with a submission date of midday on the fourth of July. Following evaluation of those tenders, a recommendation will be made to Cabinet.

With arts venues, dialogue is continuing with the remaining bidder and Cabinet is working towards a decision being taken in September.

You'll appreciate that, legally, the process does not allow for any corners to be cut. Indeed, those authorities that have taken liberties in this respect have opened themselves up to serious legal challenge.

A period of 18-24 months is not unusual bearing in mind the size of the contract, which in this case is in excess of £200m. What is important for this administration is ensuring that we get the right outcome for the Council, staff, and citizens, while ensuring that we get good value for money and we maintain these venues for the future.

Supplementary question: *County Councillor Walker*

Over the last four years, we've heard a great deal of slagging off of the previous administration and boasting about how this administration can transform the Council, either by freeing up managers to do the job they're supposed to do or by bringing in expertise to manage the relevant service areas.

Here we are four years later and you're still talking about processes with nine months to go before the end of term.

So what is it that's holding you back from actually delivering on these things? Is there reluctance, actually, to address performance area or do you hate the idea of even considering the prospect of getting people in to help? Because it really is going to be that you'll end your term of five years and the people will still be writing reports about this matter.

Reply: County Councillor Bale

I appreciate Councillor Walker's getting back up to speed with events since he's come back off the Lord Mayor benches to head up his own group.

As I said, in July and September these reports will be coming to Cabinet for approval. These are substantial decisions that this Council will be making and it is right that we get the right decision for the staff and, indeed, the citizens of this city. I am comfortable that we've done that properly, that we've reduced or minimised the legal risks to this Council and, indeed, along the way, we've made other major steps in terms of reforming and reshaping this Council that the previous administration did not even start.

If you look at procurement, with the Local Authority Trading Company, and other areas of business, we are reshaping this Council for the better. And if you'd come along to the event last night right here in City Hall to look at the achievements that have taken place in education I'm sure, as other Members that were present, you'd have been greatly impressed. And I'm proud, actually, of hearing some of those stories of the change that's taken place literally in the last couple of years under this labour administration.

Question: County Councillor Ali

I'm sure we are all very shocked and saddened by the news of MP Jo Cox's murder recently. Jo was an exceptional politician: caring, compassionate, energetic, and highly effective.

For us as Councillors, the fact that Jo was murdered after holding her surgery, something we all do, is particularly poignant. Can I have a statement or has this Council taken any risk assessment for the Elected members and the Council staff?

Reply: County Councillor Bale

As politicians from all parties, we were greatly saddened by the shocking and tragic incident in what you quite rightly say is a normal democratic activity for local politicians and community leaders.

We have to remember that, fortunately, incidents like this are isolated. However, the City Council is constantly monitoring security and safety issues and has previously instigated a security and safety review of Council buildings.

It is important that Councillors and staff are always vigilant and work to appropriate guidance that is provided by the Council's statutory Officers and by experts in this field. Specific guidance has been issued by the Welsh Government in the wake of this tragedy, and this has been adapted by the Council as a handy guide to supplement the Council's existing health-and-safety guidance for Elected Members. This will be circulated to Members early next week.

In addition, Officers are currently finalising arrangements for provision of personal safety training for Councillors and staff, which will commence next month. Members Services will advise Members of the dates of these sessions shortly.

Question: *County Councillor Boyle*

Is the European Social Fund money earmarked for the Inspire 2 Achieve programme secure, in light of the EU referendum result?

Reply: *County Councillor Bale*

As I indicated in my earlier response, the current guidance from the Welsh European Funding Office -- the body responsible for administering European structural and investment funding in Wales -- is business as usual and that existing funding arrangements should continue to be honoured. As I touched upon earlier as well with Councillor Chaundy, the European Social Fund money earmarked for the Inspire 2 Achieve project would appear to be secure. However, everything is currently subject to those negotiations with the European Commission.

Supplementary question: *County Councillor Boyle*

Obviously there's a certain amount of waiting and seeing. It's a three-year project. Is the money incrementally provided, as far as you know, or is it provided upfront in a single lump sum? Because, obviously, if Article 50 was invoked quickly and we had two years, the third year, if that funding is incrementally provided, might vanish. And I note that an ESF project coordinator is being appointed. Will that appointment still go ahead?

Reply: *County Councillor Bale*

At the moment, we have no plans in place to change anything. We literally do need to commence with negotiations.

And, in terms of the phasing of the funding, that's something I'll have to get advice on and I'll come back to you in terms of a fuller response.

Question: *County Councillor Robson*

What plans does the Council have for the Graving Docks?

Reply: *County Councillor Derbyshire*

The Graving Docks in Cardiff Bay are managed by Cardiff Harbour Authority under an agreement with the Welsh Government and the future use of the Graving Docks is being reviewed by the Council through the development of a master plan for Cardiff Bay in conjunction with stakeholders.

Supplementary question: *County Councillor Robson*

I to urge you and the Cabinet to do something with the Graving Docks. They've been derelict for many, many years. It's been an ongoing project of mine from time to time to raise this in the Council chamber every few years and it's been a few years since I last brought it to this chamber.

Economic Scrutiny Committee has historically looked at this issue and felt that something can be done, be it some kind of partnership with Techniquest or one of the other ventures down there. It's an opportunity we're missing to at least improve Tourism and maybe even make the Council a little bit of money.

Reply: *County Councillor Derbyshire*

The Council continues to talk with Techniquest but, as you can imagine, because of the trickiness around the fact that we're doing it on behalf of Welsh Government and the sensitivity around the ports and people like that, obviously it's not something that can just come to a conclusion between two parties easily. So we've got to be very careful about how we move forward.

As I say, there are no firm plans at the moment. However, as I say, as part of the master plan, which we will talk to Welsh Government about, hopefully we will come up with a solution at that stage.

Question: *County Councillor Gordon*

Riverside people and the Ward Councillors welcome the planned introduction of a 20mph zone across the ward. When will this be implemented?

Reply: *County Councillor Patel*

I'm proud to be able to say that this administration has made a commitment to roll out the 20mph zones across the city to improve road safety, promote walking and cycling, and enhance the quality of life of local streets. Work is currently being undertaken for preparation for implementation of the scheme in Riverside. It is anticipated that the scheme will be rolled out later in the current financial year.

Ward Councillors will continue to be consulted on the proposed scheme.

Your input and your ward colleagues' input to date has been invaluable in informing the phasing of the different elements of the scheme.

Supplementary question: *County Councillor Gordon*

How are the 20mph zones actually enforced? How are people monitored?

Reply: *County Councillor Patel*

We have learned a lot of lessons from the pilot first started in the Cathays area and obviously, like with anyone who speeds excessively, whether it is 30mph zones or 40mph, a lot of the enforcement has to come from the police.

And one of the things we are going to be doing – and we have started to do – is have regular dialogues with the Police to actually start talking to them about this. When I went to a conference in Edinburgh recently, which was on the 20mph, one of the things I've learned from that was there was a very clear engagement with the Police. When we're talking about a rollout, it makes it a lot easier for the Police to be able to enforce it because they will know and identify a whole area, rather than just a few streets which becomes harder to enforce.

Supplementary question: *County Councillor McKerlich*

I can sympathise with the frustration of the Member for Riverside in that a plan is slowly being implemented – too slowly for her liking. But there are some wards where there isn't even a plan. And my ward in particular would welcome knowing what is to be the critical path for rolling out 20mph zones not just into odd selected wards, but into all wards.

In my ward, for example, there is a main trunk road in effect going right through the village, and there are two schools whose children walk along that road to get to school. And I think it deserves an approach which is far less leisurely than that which you have adopted.

Reply: *County Councillor Patel*

I think there's a bit of confusion between the 20mph zones because what we're talking about is from the outer skirts of the city centre, which is why we're concentrating on that.

What you're possibly talking about is safer routes to school. Safer routes to schools is very much different. You can still introduce 20mph in the safer routes to schools.

From lessons learned from other cities as well, it's very clear you start from the city centre and you work across – you don't start from the furthest and work in. It just doesn't work that way. It has to be from the city centre outwards.

If you've got a concern with outside your school which is, say, maybe an area which we could look at a 20mph, certainly please contact me and I'll be more than happy to discuss it with you.

Question: *County Councillor Woodman*

Have any security pass badges been issued to anyone other than Councillors or Council employed staff to be able to access County Hall and City Hall freely; and, if they have, please advise to whom, when, and why or whether there are any plans to issue any such security pass badges to anyone other than a Council-employed employee or Councillor within the next six weeks?

Reply: *County Councillor Bale*

Security door access cards are provided to authorised individuals who regularly require access to County Hall. They are: Regional Regulatory Services staff from the

Vale of Glamorgan and Bridgend Councils, Wales Audit Office staff, photocopier service engineers from Canon, and police officers who need to have access to our CCTV control room.

Here at City Hall, a number of services have responsibility for managing and monitoring the use of programmed security door access cards, which provide limited access to the building for staff that are involved, for example, in attending training courses and in events related to catering services on evenings and weekends.

At both locations, a number of security door access cards for temporary use by contractors and visitors are also available from Facilities Management, which must be signed for before these are issued.

As a result of the ad hoc nature of issuing such cards, though, it is difficult to predict who will require them during the next six weeks.

Supplementary question: *County Councillor Woodman*

Security for our staff and Councillors is very important, especially now and, I think we can all agree, even more so now.

Will you undertake a review, please of the passes being given to people who are not Councillors or staff employees? We need to ensure our buildings are as secure as possible. You've mentioned photocopier maintenance personnel. Where will the line be drawn? Will it be lift maintenance engineers next then furniture deliveries? Most big businesses restrict it to their employees only. And then a process of having to have a temporary badge, signed in, signed out, and that badge collected. Clearly, you haven't got that in place at the moment.

I'm pleased about your answer to Councillor Ali, which you said about a security review, and passes must be part of that review.

Reply: *County Councillor Bale*

As I explained to Councillor Dilwar Ali earlier, we do take external security advice and, indeed, professional advice from Officers regarding security. The cards that we do have in place are regularly reviewed in terms of security requirements. They are time-limited in terms of the length of their use and we constantly review their use.

But if you've got specific concerns or instances then I would encourage you to meet with the Chief Executive and, indeed, myself if you want to bring those to our attention in more detail.

Question: *County Councillor Hudson*

As there are tailbacks of traffic on Lamby Way already, what will happen when Wedal Road Recycling Centre closes?

Reply: *County Councillor Derbyshire*

The newly redesigned Lamby Way recycling centre will incorporate more off-road queuing space and, as the overall drop-off area will be larger; the flow of traffic through the site will be much quicker. This will remove the need for any vehicles to queue on the approach road.

Supplementary question: *County Councillor Hudson*

Will Council monitor access roads to Lamby Way for the level of traffic through the day, as this has a very definite bearing on the devastating decision to close Wedal Road, and the effect on residents from the north of the city?

Reply: *County Councillor Derbyshire*

As I am sure you are aware, as I am, the current situation at Wedal Road in terms of queueing is far worse than anything you can imagine at Lamby Way going forward.

One of the big reasons for me deciding to move to Lamby Way as I did was because of the huge traffic jams that occur at Wedal Road, very close to a hospital as you well know, and could cause real problems and real pile-ups. In fact, I'm aware that there's been many an occasion where people queueing at Wedal Road could have actually gone to Lamby Way and got home again before they got seen at Wedal Road.

So I think what we have to bear in mind is you have to make decisions based on a sound judgement. The sound judgement is the current Wedal Road site is totally unacceptable going forward as a recycling site and Lamby Way is going to be suitable once it's redesigned.

Supplementary question: *County Councillor Clark*

Of course, we do need to remember that the traffic queues in Wedal Road since the site at Waungron Road was shut.

But my question is: when do you anticipate the upgraded Lamby Way centre being done and when do you anticipate that will be ready for action?

Reply: *County Councillor Derbyshire*

I seem to recall, actually, it was the previous administration that decided to cut down on the number of recycling centres but we won't go into that.

The anticipation at the moment is that it will be ready in the autumn and as such, that's when we'll be moving forward.

Question: *County Councillor Mitchell*

Despite the shortage of housing in Cardiff, we need to review policy regarding blocks of flats with communal areas where one severely antisocial tenant can subject five or more tenants to years of misery. A sensitive let can be arranged after they are asked to move on or when they are evicted from the flat.

However, if another tenant in the block transfers or moves out at around the same time, the sensitive let criteria does not apply to that flat creating the potential for those remaining tenants and the new sensitive let to be at the mercy of a new anti-social tenant. Therefore, can the sensitive let policy be reviewed to cover the whole block of flats to give those remaining tenants some quality of life?

Reply: *County Councillor Elsmore*

The Housing Antisocial Behaviour Team works proactively to resolve any poor behaviour by council tenants at an early stage. The team uses a range of methods, including early warnings and mediation, working with both the victim and the perpetrator to resolve the issues.

Where it is not possible to resolve issues, legal action is taken. Indeed, in 2015/16, 10 evictions were granted for antisocial behaviour. There were also 28 injunctions and one committal to prison.

Where tenants have suffered from antisocial behaviour and the offending tenant has either moved or been evicted, a “sensitive let” marker is placed on the Council’s records for the property vacated and that can be extended, at the discretion of Officers, to other flats in that block. Any applicant for the property who is offered the property will be subject to checks to ensure they have no previous history of antisocial behaviour.

Supplementary question: *County Councillor Mitchell*

That is good news. It’s a very common thing for those of us with large council-house blocks, where you have an extremely antisocial tenant in one of those blocks, and the misery they can cause. So that is welcome news, the fact that those suffering tenants, especially where a tenant has moved out or been evicted and another tenant leaves at the same time, we make sure that both flats are sensitive let to give the remaining tenants some quality of peace and life for a reasonable amount of time.

The supplementary question is that sometimes it’s more convenient for us to move someone who’s grotesquely antisocial out of a block of flats and that sometimes gives the perception amongst other people that they are somehow given priority in rehousing. Do we have a policy whereby if someone is asked to leave, or is evicted and we rehouse them, at what point do we say “enough is enough – you’re simply not engaging with the system and you simply cannot be afforded accommodation”?

Reply: *County Councillor Elsmore*

In terms of the Housing Wales Act, we’ve got a duty to everyone who lives in Cardiff. Even those people who may be conducting themselves in a difficult manner. I want to say that first of all.

If people are evicted for ASB, they may well come to our services through the homeless route, and we would have to have a look at our duties and consider them over a period of time. We do have an exclusion panel. I’m very happy to take you



through our, I think, 20 plus steps that we have. I think it would be a very useful conversation for us to have, you being an advocate for your ward.

Supplementary question: *County Councillor Carter*

I've got a lot of respect for Cllr Mitchell but can I ask whether the new Monitoring Officer, when they're in post, might want to review how we review our questions? I was conscious that the statement before us was largely a statement rather than a question, with a question at the end. So I think we could all do with some guidance on what's appropriate and what's not.

But I'm grateful we have the opportunity, anyway, to raise this point. Councillor Elsmore, on these important issues, I'm conscious of how much success has been achieved at the new Ark Centre, with the high-rise flats. I wonder what plans the administration have to look at CCTV cameras in our low-rise blocks as well, in the future, to replicate some of the good work that's been done in Ark on the high-rise.

Reply: *County Councillor Elsmore*

That was a very neat segue into something not quite in keeping with the question, but I'm happy to answer anyway.

The Ark is wonderful. I know you've been. So I think the plan is that will be rolled out. But I'm happy to give you the exact confirmation and timings.

Question: *County Councillor Bowden*

What consequences to you foresee arising from the Council's decision to backtrack on issuing Fixed Penalty Notices (FPNs) for term-time holidays and setting the bar at 90% attendance rather than the Welsh target of 95% and above; and how do you intend to communicate this to Head Teachers and Chairs of Governors?

Reply: *County Councillor Merry*

The Council recognises a clear link between attendance and attainment. For pupils to achieve their full potential there needs to be continuity in their learning, best achieved by attendance at school. When pupils are absent for odd days or more prolonged periods of time, they potentially miss out on important learning experiences and the teaching of key concepts and techniques that may impede their progress.

In the recent, well publicised High Court case, the parent argued that his daughter's attendance record of more than 90% met the requirement that parents ensure their children attend school regularly.

Pending the next appeal and further guidance, the advice from the Council's barrister and the Welsh Government is that schools should consider the wider attendance record of pupils before issuing Fixed Penalty Notices or any prosecutions are undertaken.

At present, this is an interim measure. And this will be reviewed once further legal advice is received. The advice was communicated to all Head Teachers on 23<sup>rd</sup> June and they will be kept updated. But I can assure you what my personal view would be.

Supplementary question: *County Councillor Bowden*

In England, it's 90% attendance. In Wales, we have a 95% attendance. Schools such as mine are looking at attendance rates of 96.7%. And the Attendance Officer for the cluster is concerned about the impact that decision is going to have on children being taken out of school and thus reducing attendance.

I wasn't aware the Head had actually had the notification. It came late; I have to say, because the Attendance Officer came to see me about it. But could we look back at whether in fact we're addressing the 95% target, given what we have to achieve in schools?

Reply: *County Councillor Merry*

I have sympathy with the position that Head Teachers and Governors have found themselves on this. I believe the figure of 90% was used because that was the basis of the original High Court case. It is going to appeal. And the other additional difficulty we've got is that the written judgement isn't yet available. So it may be that we can give further consideration when it is.

Question: *County Councillor Sanders*

What specific actions will this administration be taking to ensure the safety of our residents in the light of reports of racial and religious abuse?

Reply: *County Councillor De'Ath*

We've clearly all been deeply appalled by the racism and xenophobia that's been whipped up during the referendum campaign and that fact that the vote in favour of Brexit has been taken by some as a license to voice their unpleasant views to abuse people they don't like.

Cardiff has got a very proud and noble history – a tradition – of tolerance and diversity and multiculturalism and that's important to recognise. And also it's important to recognise that not every town and city in Britain has got that tradition. I can tell you from my own experience and I think if you speak to other BME people, there are parts of Britain still today where people feel that they still have license to say whatever they like.

In answer to your question, we as a local authority, along with our partners, monitor racial relations and community cohesion in the city. I don't want to go into the precise nuts and bolts of what we do but we certainly have a developed awareness of what's happening.

And I'm happy to state on behalf of the administration and of the police that we absolutely have a zero tolerance of this kind of hate crime. We commissioned from

Race Equality First a hate-crime casework service and we would encourage anyone who experiences any problems to contact the police on 101 or Race Equality First, because this is something we're absolutely determined to stamp out in the city.

Supplementary question: *County Councillor Sanders*

And I'm sure we're all taking personal action. I've arranged next Sunday afternoon a prayer meeting with churches across the whole city with my particular faith base.

Can I ask that, in the light of these current tensions, do you believe that the current policies, such as the equality and diversity one, community cohesion, community safety, and all the other aspects are really at the moment appropriate given the increased tensions that we're seeing reported across our city?

Reply: *County Councillor De'Ath*

I certainly think they are. The policies we have in place and the partnerships we have in place set us in good stead to weather these horrible and unfortunate events. So I am absolutely convinced that Cardiff will stand up to this and it's something that, going forward, we will drive out.

Supplementary question: *County Councillor Evans*

Could I ask you to set out – perhaps in a memorandum, perhaps in your next statement – an overview of the strategic approach being taken on this, not just in terms of reacting to incidents but also in terms of prevention? I'm thinking here, UK, Police and Crime Commissioners, Police, PACT, but also schools, also the youth service, all of which I'm sure are responding as they should be but I think it would be helpful and reassuring to know that a strategic approach is being taken so if that could perhaps form part of your next statement next month and also if that could be a press release and the message gets out there.

Reply: *County Councillor De'Ath*

I shall certainly make that information available.

Question: *County Councillor Carter*

How will the Council engage Councillors in any highway resurfacing programmes in their wards in 2016/17?

Reply: *County Councillor Patel*

Requests for highway resurfacing from Members have been taken into account during the scheme selection process. However, the primary factor will always be the condition of the road following detailed assessment.

It is anticipated that the programmes for work will be finalised within the next month, as has been the practice in previous years. Members will be advised of planned works within their wards prior to commencement on site.

Supplementary question: *County Councillor Carter*

I am grateful for those commitments, Councillor Patel, but would you agree with me that it would be only fair and equitable to actually organise meetings with local Members to discuss these schemes once that list is drawn up?

I am conscious that this year in particular, but in recent years as well, a number of schemes in my ward have been welcome surprises, but surprises nonetheless because, prior to the two weeks' notice, we had no idea they were coming. So I'd be grateful if you could look into the idea of ward Members being contacted for meetings with Officers to discuss the scheme in its entirety before things being thrust upon us.

Reply: *County Councillor Patel*

I think what's important here is, if we start talking to every single Member, we'd never get these schemes off the ground because, basically, there are certain contracts which we have to put out. And the Officers who are the experts, who have checked and inspected the roads as well, would take all that into account, especially the feedback from Members as well, if they've got concerns and they've reported them, and many other issues would have to be looked at by Officers as well. So therefore, on that basis, what we would normally do – as we've always done, as I said earlier on – the same practice is being followed. It hasn't changed. Once the list comes out, we would notify the ward Members of that list.

Question: *County Councillor Graham Thomas*

The Council are currently working on a new Charter with the community councils. I understand that not one of them is happy with the new Charter, and none are willing to sign up to it. As we seem to be at something of an impasse, what steps will the Cabinet Member take to progress the issue towards a workable charter for all? Our community councils do fantastic work; all are volunteer members and at the moment are feeling very frustrated.

Reply: *County Councillor De'Ath*

I agree. Our Community Councils do fantastic work, along with their members, and we hold them in the highest of esteem.

Regarding the Charter, I've met with the representatives of the community councils and with the chair of the Standards and Ethics Committee some time ago. We went through a few issues around casework and other things that we managed to clear up. I understand subsequently, some issues have arisen regarding community councils and the allocation of monies from CIL and Section 106.

CIL is still open to consultation – there's a consultation workshop in about a fortnight's time where there's issues being raised also being discussed at the Standards and Ethics Committee in about a week's time. And I'm sure, through these mediums, we can find an amicable way forward.

Supplementary question: *County Councillor Graham Thomas*

Will you undertake to review the Charter as a whole and put on the Agenda for the new Monitoring Officer to discuss and consult further with Community Councils and consider achievable timescales for agreement and implementation?

Reply: *County Councillor De'Ath*

I'm more than happy to do that.

Question: *County Councillor Gordon*

Pavements are meant to provide refuge for pedestrians. What is the Council's position on cars that park on pavements and bicycles that are ridden on pavements?

Reply: *County Councillor Patel*

The Council does not endorse parking on pavements. Pavement parking is dangerous as it can obstruct the footway and force pedestrians into the path of oncoming traffic.

This is particularly dangerous for people who are visually impaired and are unable to see moving vehicles, but also those with reduced mobility, wheelchair or mobility scooter users, and parents with young children or buggies.

Vehicles parked on footways also cause pavement surfaces to crack and tarmac surfaces to subside. In some cases, even damaging pipes laid beneath the surface.

Cyclists should not ride on a pavement or footway unless it has been formally designated and signed for shared use by pedestrians and cyclists.

Supplementary question: *County Councillor Gordon*

That's heartening to hear what's meant to happen. I just wonder what we can do as a Council because very often, in the pub opposite my house, when they deliver the barrels, all lorries park on the pavements. All through the city you see people two wheels on and two wheels off, and I just wonder: have you got any view on how this can be stopped?

Reply: *County Councillor Patel*

I certainly understand the concerns you've got and I'm sure most people in this chamber have got similar concerns. I certainly have in my own ward as well.

It is the Police who have got the powers to enforce and I am happy to write to the Police on behalf of all you, if need be, and express my concerns to the Police about the dangers that this is causing and, not only that, but the obstructions it's causing as well. But the final decision, unfortunately, it is the police's decision if they decide to move those vehicles or not.

I'm sure you've experienced it, and I've experienced it. This item often comes up at Pact meetings as well and is often brought to our attention. But I'll certainly bring it to the attention of the police.

Supplementary question: County Councillor Dianne Rees

I'm very pleased to hear, Councillor Patel, that you are concerned about parking on the pavement because, as you quite rightly say, it is a problem throughout the whole of the city.

I'd like to point out that I have had some conversation with some of the police inspectors over these issues and they have agreed – the particular inspector I spoke to has agreed – that not only is parking on the pavement antisocial, it is actually a criminal offence in Section 72 of the Highways Act in 1835, which is actually still in force. And there are police forces throughout the country using Section 72 to prevent parking on the pavement, and that avoids arguments as to whether a vehicle is an obstruction or not.

I'm just going to quote to you from the Merseyside Police website: "It is an offence to drive onto the pavement and an offence to cause obstruction to other road users, including pedestrians."

But what I'd like to point out is that London actually has a policy of parking which prevents parking on the pavement. If you have that dialogue with the police, we should be able to enforce it throughout Cardiff. And it's a growing problem – one which needs to be addressed. And it needs some direction from the Council itself, so I would like to ask you the question: could you please create a parking policy for Cardiff?

Reply: County Councillor Patel

I think the most important issue here at the moment is it is an enforcement issue with the police, because the powers lie with the police. And it's very clear, as I made very clear in these Council chambers, I'm happy to write to the police. In fact, I'm happy to write to Alun Michael, the Police Commissioner and bring this matter to the attention of the Police Commissioner and for them to be able to pass it down to whichever officer to deal with it and hopefully they'll come back to me and come back with some answer.

Question: County Councillor Clark

The ruling administration forecasts that the 58% recycling target will be met for 2015/16 in Cardiff. Please could you provide the proportionate breakdown for these recycling figures by each of the following categories:

- Bottom ash
- Garden waste
- Street leaf sweepings
- Food waste
- Glass
- Paper

- Tin/metal
- Melted down former wheelie bins
- Other plastics excluding melted down former wheelie bins
- 

Please could a comparable breakdown also be provided for the 53% recycling figure achieved in 2014/15?

Reply: *County Councillor Derbyshire*

I can confirm, and I'm sure you'll be very pleased to hear that we have achieved the 58% recycling rate for 2015/16.

Officers are currently compiling a breakdown in the data to respond to your previous request at the Environmental Scrutiny Committee. So a full response will be provided in due course to the Chair of the Environmental Scrutiny Committee and I'll ensure that you also response to your specific request for a breakdown of these figures in due course.

Supplementary question: *County Councillor Clark*

I'm really disappointed about that because, currently, the administration does forecast a 58% recycling target, so you must have known what would constitute that. Unfortunately, the letter for various reasons was delayed going from the meeting where this was discussed and requested. That meeting was in May. So I'm disappointed, to be honest – this information should be very easily available and we can't have it today.

Reply: *County Councillor Derbyshire*

You may think it's easily available. I think you need to speak to the Officers and you will find out that actually it's not that easily available. There's lots of factors involved in this – not just the ones that you've bullet pointed. They are a number of them, but there are plenty of other things as well which constitute recycling. We have to ratify each of those separately with Welsh Government to make sure that we're actually on target.

As I said, you say you're disappointed – I thought you would have been pleased that we hit our recycling target because that saves the Council an awful lot of money.

Question: *County Councillor Hudson*

What action is the Council currently taking to prevent the subletting of social housing and what level of sub-letting is estimated to exist?

Reply: *County Councillor Elsmore*

The Council has a tenancy-fraud hotline, which enables residents to report any cases of suspected subletting. The hotline number is advertised in Tenants Times, through the Hubs, and on all correspondence sent out by Tenancy Officers.

Any report of subletting that is received is taken very seriously. Indeed, I want to emphasise that each individual reported case is investigated.

Supplementary question: *County Councillor Hudson*

I still haven't had an answer to what level of subletting is estimated to exist, please.

Reply: *County Councillor Elsmore*

You're quite right, Councillor Hudson. 75 cases were reported to the hotline in 2015/16. That represents .56% of our total housing stock.

Question: *County Councillor Mitchell*

Given that people in Cardiff are still being told that the previous administration's rejected "brownfield-only" LDP is a viable option, can he identify any viable brownfield sites that are not in flood plain areas which currently have no plans to build on them at present and can he outline the progress on those that are?

Reply: *County Councillor Michael*

There are no brownfield sites available that are not on a flood plain or not in the LDP at present. If any such sites do come forward, they will have already been factored into the LDP windfall allowance of 4807 dwellings.

Supplementary question: *County Councillor Mitchell*

The supplementary is again relating to literature put out during the election and previous elections that "47000 houses – new houses – are being built on *our* greenfields." Can you expose the dis-ingenuity of that statement?

Reply: *County Councillor Michael*

Look, there are still a small number of local politicians who still carry on misinforming, misleading the public. All they do is demonstrate a complete lack of understanding of the LDP and, frankly, any morals. And I take the view of the first officer, which is that if you live in fantasy land long enough, you become a fantasist.

Supplementary question: *County Councillor Clark*

I couldn't catch all your answer earlier. Could you indicate how many dwellings allocated to the brownfield sites in the LDP have yet to be built?

Reply: *County Councillor Michael*

No.

Question: *County Councillor Gordon*

Are barbecues and fires allowed to be lit in our Council parks and sports fields?



Reply: County Councillor Derbyshire

The Council does not permit barbecues or fires to be lit in its parks or sports fields unless such requests form part of a formal event application that has been approved through the Council's standard event booking procedure.

Supplementary question: County Councillor Gordon

What do you recommend we do, then, when on these lovely summer evenings that we had until the deluge started when, I think in Llandaff Fields one evening, I counted seven informal barbecue parties? Very often instant barbecues are just put straight onto the grass, regardless of whether that grass is part of a cricket wicket.

Reply: County Councillor Derbyshire

I think we have to be a little bit realistic about this. Obviously Park Rangers have to be a bit pragmatic, shall we say, about dealing with it. But, obviously, if there is an issue, especially if the ground is damaged, then I would suggest that what's important is that these incidents are reported to our Parks Department and so that action can be taken if necessary.

35 : URGENT BUSINESS

There was no urgent business

36 : COMMITTEE MEMBERSHIP

The Council received an update on the current membership of Committees following approval of party group nominations at Annual Council 26 May 2016; and was notified of changes received from Party Groups since that meeting.

RESOLVED – That the following changes to Committee Membership be approved

<u>Committee</u>	<u>Nomination</u>
Council Appeals Committee	Councillor Jayne Cowan to replace Councillor Dianne Rees
Policy Review & Performance Committee	Councillor Susan Goddard

37 : APPOINTMENTS OF MEMBERS TO SERVE ON OUTSIDE BODIES

The Council was requested to approve the appointment of Council representatives to outside bodies under the Local Choice functions.

RESOLVED – That the following appointments to Outside Bodies be approved : -

<u>Organisation</u>	<u>Nomination</u>
Cardiff University Court	Councillor Monica Walsh (Lord Mayor) to replace Councillor Walker

Race Equality First  
Board of the Welsh Joint Education  
Committee (WLGA Regional  
Representative)

Councillor Caro Wild  
Councillor Merry (Cabinet Member)

38 : PROGRAMME OF COUNCIL & COMMITTEE MEETINGS 2016/17

The Council was requested to approve the full programme of all Council and Committee meetings for the period July 2016 to May 2017

RESOLVED – That

- (1) the programme of Council and Committees for July 2016 to May 2017 be approved;
- (2) delegated authority be approved for the Interim Monitoring Officer to make further amendments, if required, in consultation with Chairs of Committee.

39 : WRITTEN QUESTIONS

COMMUNITY DEVELOPMENT, CO-OPERATIVES AND SOCIAL ENTERPRISE  
(COUNCILLOR PETER BRADBURY)

WRITTEN QUESTION FROM COUNTY COUNCILLOR BRIDGES

Councillors were recently sent invitations to a PR reception being held by the army at City Hall on 23rd June. What was the cost to the army for holding this reception on council premises?

What would have been the equivalent cost to a private individual or commercial organisation?

Reply

The Army hired City Hall, including the Lower Hall and Assembly Rooms, on 23 June 2016 for a Transition Fair. The event aimed to inform serving Armed Forces personnel, families and veterans about the support that is available to them. It also sought to help ease the transition process from Service life to civilian life by introducing Service leavers to appropriate organisations and employers.

At the end of the event, the organisers also hosted a reception in the Marble Hall. The cost of the hire of the Marble Hall for the reception was £250. This was a reduced fee, charged on a pro rata basis, for a one hour extension (from 5pm to 6pm) to the wider venue hire on that day.

A minimum hire fee of £1500 per six hours would normally be charged for the use of the Marble Hall, but the reduced fee was applied as a result of the overall charges that were paid by the Army for the hire of City Hall, which were directly comparable to those for private individuals or commercial organisations.

WRITTEN QUESTION FROM COUNTY COUNCILLOR HOWELLS

How many books have been withdrawn from the temporary library facility at the CRI since the facility was made available?

Reply

I can confirm that Roath Library customers are continuing to access library services. Our records show that there have been 42,991 transactions (i.e. issues and renewals of books) which can be attributed to registered Roath Library customers since November 2014 when Roath Library was closed temporarily due to maintenance issues. The majority of these issues have taken place at Splott, Penylan and Central Libraries.

The temporary facility at Cardiff Royal Infirmary (CRI) has only been open since March 2016 and has 400 books available. During the period from March to June 2016, there have been 49 book issues from the kiosk based at CRI; however, we do know both from the number of requests that the Neighbourhood Development Librarian has taken and the number of books we have restocked that more books are being loaned outside the system.

Steps are being taken to ensure that library customers are aware that the stock must be issued through the Library Management System via the kiosk. This will allow for more accurate formal reporting on stock issues and renewals at the CRI library.

Officers have been promoting the CRI library to date, but I have asked them to undertake further promotional work to ensure that local residents are fully aware of its location.

CORPORATE SERVICES AND PERFORMANCE (COUNCILLOR GRAHAM HINCHEY)

WRITTEN QUESTION FROM COUNTY COUNCILLOR HOWELLS

What is the frequency of grass cutting for the grassed areas around County Hall?

Reply

I can confirm that the cost of grounds maintenance at County Hall is met by the Facilities Management service and the areas of grassland are cut up to ten times per year. The actual number of cuts, as well as the timings and intervals between cuts, is dependent on a number of factors such as ground and weather conditions.

ENVIRONMENT (COUNCILLOR BOB DERBYSHIRE)

WRITTEN QUESTION FROM COUNTY COUNCILLOR BRIDGES

When will there be information available online to advise and support civic-minded residents who want to organise litter-picks in their communities?

Will the council also make available the necessary resources (gloves, grabbers etc.) for loan in order to support residents wishing to clean our streets?

Reply

The Waste Strategy Team is currently working to redevelop the Keep Cardiff Tidy website. A section of the new website will include information on how residents can get involved with community litter picks and other activities, as well as a calendar of events. We expect to launch this new website towards the end of July 2016.

The Council plays a leading role in facilitating community litter picks in the city, which are undertaken by resident groups and community groups such as the Cardiff Rivers Group. The annual Get It Out for Cardiff campaign also seeks to promote local resident involvement in helping to keep communities clean. We actively support community events where we can with staff, equipment, literature to hand out, recycling kits, and social media support etc.

In addition, the Council has a longstanding relationship with Keep Wales Tidy who we fund to support community litter picks. If volunteers want to get involved with litter picks, we do encourage them to sign up with Keep Wales Tidy, which has lots of appropriate equipment that can be loaned to volunteers. The Council's Street Cleansing Team will then arrange collection of the waste once the litter pick has been completed.

TRANSPORT, PLANNING AND SUSTAINABILITY (COUNCILLOR RAMESH PATEL)

WRITTEN QUESTION FROM COUNTY COUNCILLOR BRIDGES

Please set out definitively the traffic/parking offences which can be enforced by council parking wardens, and those which remain within the purview of South Wales Police.

Please also explain which offences require the presence of road markings; my understanding is that South Wales Police can no longer book people for being parked within 10m of a junction (despite it being against the Highway Code) as junction parking now falls within the council's remit, but Cardiff Council officials cannot enforce the offence either unless there are double yellow lines.

Reply

The following parking offence is enforceable only by the Police:

- Obstruction – this would include parking dangerously at junctions and on

pavements even in the absence of yellow lines. What constitutes an obstruction is down to the discretion of the attending Police Officer/PCSO; however, parking within 10 metres of a junction is not in itself illegal. The Police may enforce parking within 10 metres of a junction on the basis of safety concerns.

The traffic contraventions that are enforced currently by both the Police and the Council are:

- Stopping on a pedestrian crossing or zig-zags at a pedestrian crossing
- Stopping in a restricted area outside a school when prohibited by Keep Clear Zones
- Being in a bus lane
- Stopping in a box junction when prohibited
- Performing a prohibited turn (no left/right/U-turn)
- Parking adjacent to a dropped footway, cycle track or verge including H-bar markings.

The parking contraventions that are enforced currently by the Council are:

- Parking in a restricted street during prescribed hours (yellow lines)
- Parking or loading/unloading in a restricted street where waiting and loading/unloading restrictions are in force (yellow lines with yellow kerb markings)
- Parking after expiry time on pay and display ticket
- Parking without clearly displaying a pay and display ticket
- Parking with payment made to extend the stay beyond initial time (meter-feeding)
- Parking in a resident permit bay without a valid permit or with an invalid permit
- Parking in a suspended bay
- Re-parking in the same parking place when prohibited – return parking restrictions.
- Parking in a place not designated for that class of vehicle
- Not parking correctly within the markings of the bay or space
- Parking in a loading place during restricted hours without loading
- Parking more than 50cm away from the kerb line
- Parking for longer than permitted
- Parking in a disabled persons' parking place without displaying a blue badge
- Stopping on a taxi rank
- Stopping on a bus stop
- Parking partially or wholly on a cycle lane
- Stopping in a restricted area outside a school when prohibited

The parking contraventions that are enforced currently by the Council, which do not require road markings, are:

- Parking more than 50cm away from the kerb line
- Parking adjacent to a dropped footway, cycle track or verge.

Mae'r dudalen hon yn wag yn fwriadol



**CABINET PROPOSAL**

**AGENDA ITEM:**

---

**BUDGET STRATEGY REPORT 2017/18 AND THE MEDIUM TERM**

**Reason for this Report**

1. To consolidate and update the financial strategy of the Council in readiness for the preparation of the 2017/18 revenue and capital budgets. This will include outlining the timetable for the budget process in order to present the Budget Report to Council in February 2017.
2. The Report will outline and update the budget reduction requirement that the Council is facing over the medium term. It will set out the strategy to address the budget gap in the forthcoming financial year as well as across the life of the medium term financial plan (MTFP). Consideration will be given to the future outlook for the Council beyond the timeframe of the MTFP, although these projections are highly caveated given the number of unknown variables.
3. The Budget Strategy Report will highlight the ongoing severity of the financial challenge and consider its impacts on the financial resilience of the Council. The policies, budget assumptions and tools that underpin the Budget Strategy will be crucial in moving the Council forward on a financially sustainable basis.

**Structure of the Report**

4. The Report contextualises the budget strategy by considering the internal and external backdrop against which it is being prepared. The Report revisits the Medium Term Budget Reduction Requirement that was identified in the 2016/17 Budget Report and sets out updates, both in terms of the quantum that will need to be identified over the next three years and the strategy to address it. The Report also includes updates in respect of the Capital Programme.
5. The following table provides a quick reference guide to the key sections of the Report. A short overview of the strategy in the format of questions and answers is included at Appendix 1.

<b>Section of Report</b>	<b>From Para</b>	<b>Detail included in section</b>
General Background	<b>6</b>	Economic Position and Welsh Government context
Council Background	<b>18</b>	Corporate Plan and WAO follow on Report
Risk and Financial Resilience	<b>30</b>	Key Risks and Financial Resilience considerations
2017/18 and MTFP Budget Reduction Requirement	<b>40</b>	A recap of the budget reduction requirement set out in the 2016/17 Budget Report and the underpinning assumptions. Refresh and review of that position to take account of developments since February 2016.
Approach to Budget Strategy	<b>51</b>	Recap of 2016/17 Approach as the basis for 2017/18. Overview of 2017/18 work to date and work-plan
Strategy to address the Budget Gap	<b>58</b>	A recap of the budget strategy set out in the 2016/17 Budget Report and refresh and review of that position.
Consultation and Engagement	<b>87</b>	Consultation with the public, employees and other key stakeholders
Other Budget Strategy Issues	<b>92</b>	Future developments
Capital Programme	<b>97</b>	Capital expenditure, funding and affordability

## **General Background**

### **Economic Position**

6. This Report is written in the context of a prolonged period of significant financial restraint. The implications of the Autumn Statement and Spending Review and of the Chancellor's March 2016 Budget are a continuation of implied real cuts to day to day spending on public services and administration in 2017/18 and 2018/19. The outcome of the EU Referendum on 23 June 2016, for the UK to leave the European Union has raised significant uncertainty and speculation



regarding the future economic position of the country. This is referred to at the end of this section but will need careful monitoring over coming months as the situation starts to be afforded more clarity.

7. The Chancellor's budget announcement in March 2016 set out the economic context based on figures produced by the Office for Budget Responsibility (OBR.) The economic figures showed a deterioration on November 2015 figures. Some of the main indicators from this statement were:-
  - Forecast growth of 2% this year and 2.2% in 2017; a revision downwards from the growth prediction of 2.4% in the November 2015 Spending Review
  - Forecast inflation to be below the target rate of 2% in 2016, returning gradually to 2% in 2018
  - National debt forecast to peak at 83.7% in 2015/16 before falling from 2016/17 to 74.7% of GDP in 2020/2021.
8. The OBR Report set out that risks to the global economic outlook remain significant, with slower growth in China, shifting prospects of oil supply and the outlook for US monetary policy among the key sources of uncertainty. It should be noted that the OBR report, and therefore the Chancellor's budget, were predicated on the UK remaining in the European Union following the referendum. This is because the OBR is required to base forecasts on current Government policy and not to consider alternatives.
9. The result of the UK referendum on 23 June 2016 to leave the EU, has placed a number of uncertainties around the economy. Immediate impacts that occurred in the week following the referendum include the downgrading of the UK's triple-A rating by a number of credit agencies and a reduction in the exchange rate of the pound. The short term consequences of these changes have been a reduction in the PWLB borrowing rate and, given that the price of oil is based on dollars, an increase in fuel prices is anticipated shortly.
10. Impacts over the medium to longer term are extremely difficult to predict. The UK is not expected to invoke Article 50 of the Treaty of Lisbon, to instigate withdrawal proceedings until the autumn following the appointment of a new Prime Minister and the ensuing details of UK's exit from the EU will need to inform future financial forecasts. There were originally some indications that there may be an Emergency UK Budget in the immediate aftermath of a "Leave" vote. Whilst the immediate threat of an emergency budget has been removed, this is still considered a possibility following the appointment of a new Prime Minister later in the autumn. The impact of this along with potential changes to the Welsh block grant and Welsh Government's (WG's) subsequent decisions regarding its grant distribution are all factors that could impact future Local Government Settlements.

### **Welsh Government Context**

11. The 2016/17 financial settlement set out an average decrease in Aggregate External Finance (AEF) of 1.4% across Wales, with individual Authority reductions ranging from between 0.1% and 4%. Cardiff experienced a 0.1% reduction in AEF which in cash terms equates to a £301,000 loss of general funding compared to 2015/16. The settlement was for one year only and no indicative figures were provided in respect of the financial years 2017/18 and

beyond.

12. Ongoing budget reductions of the scale required to achieve a balanced position require difficult decisions with appropriate lead in times. These should be based on sound evidence and implemented in a planned and rational way. The absence of multi-year settlement information is therefore extremely challenging from a financial planning perspective. For Cardiff, a 1% fluctuation in AEF equates to £4.3 million in cash terms and therefore minor changes in percentage terms can have a significant impact on planning. This situation was exacerbated in 2015/16 when the timing of the Autumn Comprehensive Spending Review delayed publication of the WG Budget and in turn, the Local Government Settlement. As a result, Welsh Local Government received indicative funding figures just three months in advance of budget-setting date.
13. In the absence of indicative funding figures for 2016/17, the Council had assumed a funding reduction of 3% which was in line with the decrease experienced in 2015/16 and with warnings from the WG to expect further challenging settlements. Whilst the 0.1% reduction Cardiff received was significantly better than anticipated, it is testament to the scale of the ongoing financial challenge that a negative settlement accompanied by unfunded financial pressures of over £30 million was perceived as good news.
14. Settlement announcements are expected to revert back to usual timeframes this year, and the Provisional Settlement is anticipated in October 2016. However, as noted above, there is the potential for an emergency budget following the appointment of a new Prime Minister and the timing and content of any such budget may have implications for settlement dates.
15. Whilst confirmation of funding levels remains a key risk, the Council used the opportunity afforded by the better than anticipated 2016/17 settlement to strengthen its ongoing financial resilience. As part of this, a £4 million financial resilience mechanism was established. The mechanism, which is equivalent to approximately 1% of Aggregate External Finance supports one off investment in priority areas, and is available for release in subsequent years in the event that the settlement is worse than the 1% reduction assumed in the Medium Term Financial Plan.
16. In its response to the Welsh Government Budget, the Welsh Local Government Association (WLGA) recognises that the WG is also faced with real term budget reductions. In this context, rather than seeking to achieve greater funding for Welsh Local Government, the WLGA sought WG recognition of the gravity of the situation with a call for the accurate and transparent reporting of information and maximisation of flexibility. The WLGA highlighted a number of ways in which it felt a new relationship based on these principles could be achieved and these included:-
  - More direct links between any schools protection and AEF
  - Greater equity in the consideration of preventative services such as social services and housing
  - De-hypothecation of specific grants
  - Greater co-ordination across Welsh Governments department in policy making that affects Local Government
  - A thorough review of the costs and benefits of audit and regulation

- Greater clarity for the future with the issue of multiyear settlements
  - Recognition that in times of increasing financial risks, a council making cuts also needs to increase reserves to reflect the volatility of its budget
  - Full consideration of the devolution of powers to Councils, including retention of business rates growth
  - Realism in terms of new legislative duties of Council and more robust assessment of their financial impact
17. The WLGA also highlighted that between 2009/10 and 2015/16, specific grant funding has increased from £680 million to over £900 million as new initiatives have grown more quickly than older grants are rolled into the settlement. The WLGA believe that many grants are aimed at achieving similar outcomes, often over-lapping or duplicating activity whilst at the same time restricting how authorities design services delivery to achieve outcomes, potentially to the detriment of innovation. Cited examples within the Alleviating Poverty Programme include Communities First (£29 million), Families First (£43 million), Flying Start (£76 million) and Supporting People (£124 million.)

## **Council Background**

### **Corporate Plan**

18. The Council approved its Corporate Plan for the period 2016-2018 in February 2016. The plan sets the Council's strategic direction and provides a framework to underpin more detailed service plans and performance management objectives. With reducing funding and increased demand for services, Councils must be clear about their priorities. For Cardiff, the Corporate Plan 2016-18 identifies these as:
- Priority 1 – Better education and skills for all
  - Priority 2 – Supporting vulnerable people
  - Priority 3 – Creating more and better paid jobs
  - Priority 4 – Working together to transform services
19. The Corporate Plan is aligned with the vision for Cardiff to be Europe's Most Liveable Capital City, and with the seven jointly agreed outcomes included in the Single Integrated Plan – "What Matters" that are aimed at delivering this vision. The Corporate Plan together with significant issues identified through the Council's Statement of Internal Control, the Corporate Risk Register and performance management report are reflected in the financial strategy for 2017/18 and beyond.
20. The Budget Strategy is aligned with Corporate Plan priorities as far as possible. Clearly, opportunities for investment are restrained in the current climate, although the budget strategy does include growth for schools over the medium term. Whilst savings must inevitably be found to balance the budget, their themes are aligned with corporate plan priorities wherever possible. Other savings aim to focus on internal processes and overheads to avoid significant impact on front line services. In addition, the current capital programme includes sums to support organisational change and to enhance the city centre to attract new businesses.

## Wales Audit Office Corporate Assessment Follow On Report

21. The Auditor General for Wales must report on an annual basis on how well Welsh Councils are planning for improvement in service delivery. In addition, every four years, the Auditor General must conduct a Corporate Assessment of every local authority in Wales. Cardiff Council was the subject of corporate assessment in March 2014. The ensuing Report was critical of the Council's performance and recommended that the then newly established Organisational Development Programme must ensure the resolution of the issues identified in the Assessment. The Report committed the Wales Audit Office (WAO) to carry out a follow on corporate inspection in 2015 to determine whether the issues identified in the Corporate Assessment Report had been satisfactorily resolved.
22. The Wales Audit Office follow on visit was undertaken in October 2015 and the Corporate Assessment Follow On report was published on 26 February 2016. The report contained one statutory recommendation and 14 proposals for improvement relating to the key areas of leadership and management, governance, performance reporting and corporate enablers, including financial planning processes. The statutory recommendation was that the Council ensure that all proposals for improvements be delivered within 12 months.
23. The Follow On Report's recommendations in respect of financial planning processes were consistent with a simultaneous review that the WAO undertook that was part of a wider review into the financial resilience of Welsh Local Government. The latter review was aimed at forming an assessment as to whether the council effectively manages budget reductions in order to ensure ongoing financial resilience and the three key areas of financial planning, financial control and financial governance were considered.
24. The conclusion of WAO in reporting on the Council's financial resilience was that the "The Council has improved its arrangements for financial planning and has sound financial control and governance arrangements but now needs to develop robust plans to support the timely delivery of its savings proposals". The Council's financial control and governance arrangements were assessed as low risk, and financial planning as medium risk. This was consistent with the findings of the WAO follow on report which recognised that the Council has improved its MTFP arrangements and had raised the profile of financial resilience but made four specific recommendations to further strengthen financial planning processes.
25. The Corporate Assessment Follow On report's four specific recommendations in relation to financial planning processes were encapsulated by two themes; savings planning and integration between the MTFP and other plans. In respect of the latter, the report recommended that links between improvement planning arrangements and service plans could be more explicit, and that savings proposals should be linked to the Organisational Development Programme (ODP) where relevant and driven by the ODP board. From a planning perspective, the Report recommended that all budget savings plans should be as fully developed as appropriate with realistic timescales identified at the time the annual budget is set.
26. It should be noted that the focus of the WAO assessment was on the delivery of 2014/15 savings plans and the 2015/16 financial planning period. The budget

process is subject to regular review and a number of improvements had already been taken forward as part of 2016/17 Budget Strategy, which did not form part of WAO's review and subsequent report. These were outlined in the response to the follow on report and summarised below.

- The 2016/17 Budget Strategy was the product of earlier and more collaborative target setting
- There was a further marked shift from incremental budgeting with emphasis on how budgets could be reshaped over the medium term to address the financial challenge
- There was increased focus on the whole of the Council's budget with detailed consideration of opportunities for savings within areas of "addressable spend"
- There was continued focus on the importance of Budget Strategy Assumptions as part of the solution over both one and three years including council tax, cap on schools growth and use of earmarked reserves
- Financial resilience was given a high profile throughout the 2016/17 process, and advantage was taken of the opportunity afforded by the better than anticipated settlement to strengthen future resilience
- Directorates undertook regular review of the planning status of proposals and frequent updates were provided to Senior Management Team and Informal Cabinet in this respect
- Links were made between medium term savings proposals and the ODP's focus on the shift to online services, facilitating alternative delivery models, increasing revenue from commercial activity and reducing the council's asset base. Issues arising from both Organisational Development and development of budget strategy were considered at SMT on a recurring basis.
- As outlined in the 2016/17 Budget Report, the above culminated in a more detailed response to the medium term budget reduction requirement than in previous years and this has provided a firm foundation for the 2017/18 approach, requiring less time and effort to be spent on target-setting exercises in the early part of 2016/17 enabling more focus on challenging and planning draft 2017/18 proposals.

27. The above highlight that progress had already been made in a number of respects but that this was not reflected in WAO's report. These improvements will be embedded and developed as part of the 2017/18 budget process.

### **Organisational Development**

28. As noted in the previous section, in May 2014, the Cabinet established a comprehensive ODP, based on co-operative principles which was designed to reshape the Council in response to a range of critical challenges, including the financial challenges facing the Council, demand-led pressure on services and the need to improve performance. To date, the programme has driven improvement and change across a range of areas including improvements in the way the Council uses its assets, continued collaboration across sub-regional partnerships to deliver social services, working to ensure the Council has residents at the heart of its approach through development of Community Hubs and the continuing implementation of the Council's Customer

Relationship management system aimed at improving customer experience. The financial benefits of changes in many of these areas have been reflected in previous budgets through for example, budget savings in relation to office accommodation, Hubs and the use of capital receipts to support the 2015/16 capitalisation direction.

29. As previously noted, there are clear links between medium term savings themes and the next steps of the ODP; these include the shift to online services, customer focus and enabling technology, increasing revenue from commercial activity and strategic commissioning. There is regular interaction between the finance section and the Organisational Development team to ensure that frequent information sharing takes place and issues arising from both Organisational Development and financial planning are considered by SMT on a recurrent basis. All projects within the ODP are required to have effective financial plans in place which link to the MTFP. The ODP will be an essential part of releasing budget savings in a manner that conserves financial resilience as far as possible.

## Risk and Financial Resilience

### Risk

30. The risk assessment carried out as part of the 2016/17 budget preparation identified significant financial and operational challenges over the medium term. In addition to considering the risks associated with individual savings and financial pressures, a number of additional Council risks were identified. These can be categorised under six themes, three of which have a more internal focus, whilst the other three are largely externally determined. These risks are summarised in the table below:-

	Theme	Identified Risks
<b>INTERNAL</b>	<b>SAVINGS</b>	<ul style="list-style-type: none"> <li>• The significant amount of savings predicated on the success of preventative strategies and the difficulty of tracking their impact in terms of financial monitoring.</li> <li>• The necessity to deliver budgeted savings from reshaping services and other change proposals not yet fully defined.</li> <li>• The significant level of savings based on commercial and income initiatives that are yet to be tested in the market.</li> <li>• The need to deliver significant levels of savings during a period of prolonged financial austerity particularly given the impact that delays to delivery of the proposal has on the budget monitoring position</li> <li>• The cumulative impact of achieving the savings, within the 2016/17 budget in addition to the unachieved 2015/16 savings which remain to be realised.</li> </ul>

	Theme	Identified Risks
	ORGANISATIONAL CHANGE	<ul style="list-style-type: none"> <li>• The potential implications arising from the implementation of alternative delivery models for certain Council services.</li> <li>• The service impact of an ongoing reduction in headcount expected to take place over the medium term but also the changing impact of alternative delivery models on the nature of the workforce.</li> <li>• The impact of the potential adoption of alternative models of service delivery and the requirement to test consequential costs and benefits of the change, for example working through any potential TUPE implications.</li> <li>• The impact of functions delivered as part of a collaborative arrangement should the planned benefits not be realised.</li> <li>• The impact of the ongoing uncertainty in respect of the outcome of local government reorganisation.</li> </ul>
	CAPITAL ASPIRATION	<ul style="list-style-type: none"> <li>• The level of additional borrowing undertaken in previous years and proposed will require more revenue resources to be used for capital financing in future years or the use of WG's new powers of borrowing.</li> <li>• Capital schemes that are approved on the basis of generating savings, increasing income or capital receipts but which fail to do so will also increase pressure on the revenue budget.</li> <li>• The increasing financial exposure to the Council of the SOP consolidated financial model as the size of the programme and associated risks increase.</li> </ul>
<b>EXTERNAL</b>	FUNDING	<ul style="list-style-type: none"> <li>• The potential impact on RSG funding if allowances for sparsity are included in future settlements and also any redistributive impact of specific grants transferred into the Settlement.</li> <li>• The challenging financial position in respect of reducing WG resources, increasing financial pressures against a reducing controllable base budget together with increasing volatility and uncertainty in respect of hypothecated grants.</li> <li>• The impact on Cardiff Bus, which is wholly owned by the Council, should the WG make significant reductions to the reimbursement rate in respect of concessionary fares in 2016/17.</li> </ul>
	DEMAND	<ul style="list-style-type: none"> <li>• Reducing demand for services where the Council has historically charged for the activity, creating an income shortfall.</li> <li>• The ability to react to new demands resulting from welfare reforms as they are progressively implemented together with financial risks in respect of the CTRS.</li> <li>• Continuing demographic demand for social care services</li> </ul>
	OTHER	<ul style="list-style-type: none"> <li>• The impact of welfare reforms, in particular the phased implementation of Universal Credit during 2016/17, on the ability of individuals to contribute to the cost of services provided where relevant.</li> <li>• The risk of WG levying fines if the Council fails to realise recycling or land fill diversion rates.</li> </ul>

31. The impact of these challenges are reviewed as part of the financial monitoring process and through the Corporate Risk Register, both of which are regularly reported to the Cabinet and Senior Management Team. The Council's Audit Committee also regularly review the Corporate Risk Register. Given the risks identified, care will continue to be taken that changes to service delivery and business processes do not impact negatively on the financial control environment. In addition, new risks will continue to be identified and monitored throughout the budget preparation period. Examples of these include the potential impact of the EU referendum as highlighted earlier in the report but also the need for successful implementation of new systems and processes such as the Customer Relationship Management arrangements.

## **Financial Resilience**

32. The Council has met a budget reduction requirement of over £30 million for 2016/17, building on £113 million in the previous three years with a further £73 million requirement anticipated over the next three. The 2016/17 Budget Report, and earlier reports recognised that the financial outlook is such that radical changes must continue to be made to the shape of the organisation in order for it to remain operational and resilient. In this context, the significance of reviewing the financial standing, risks and resilience of the Council cannot be understated. The development of a deliverable Budget Strategy is a key document in this respect.
33. Key messages in respect of financial resilience included in the 2016/17 Budget Report included:-
- The need to deliver significant levels of savings during a period of prolonged financial austerity, particularly given the impact that delays to delivery of proposals have on the budget monitoring position
  - The cumulative impact of achieving 2016/17 savings in addition to the unachieved 2015/16 savings which remain to be realised
  - The significance of addressing a further £73 million gap, building on £28.8 million in the current year and £135 million in the five years preceding that.
  - The complexity associated with delivering the radical change required to continually reshape the organisation, including the delivery of new operating and delivery models
  - The increasing ratio of capital financing charges to controllable revenue budgets as controllable budgets reduce, impacting on the relative affordability of the capital programme
34. During recent years, much emphasis has been placed on raising the profile of financial resilience and briefing and training sessions for both Members and officers have taken place in this respect. The Council regularly prepares Financial Resilience Snapshots which are designed to give an overview of the financial health of the Council at intervals throughout the year. By combining past, present and future information, the snapshots provide a rounded view of performance and enable emerging issues and trends to be identified. The Council has also increased the level of benchmarking that it undertakes with organisations facing similar financial challenges.
35. The snapshot included at Appendix 3 provides an overview of the financial



health of the Council at the time of setting the Budget Strategy for 2017/18. It reflects the Budget Strategy reflected in this report, the 2015/16 Outturn Report and the draft Statement of Accounts for 2015/16. The Council's Statement of Accounts are a key document in assessing financial resilience. The draft Statement of Accounts for 2015/16 were reviewed by Audit Committee on the 27 June 2016 prior to the Corporate Director for Resources signing them as the Responsible Finance Officer. The accounts are currently on public deposit and will be audited over the summer, with the audited accounts due for presentation to Council in September.

36. In recognition that development of the 2017/18 budget over the next six months will be informed by the budget monitoring position, the snapshot includes information on the 2015/16 Outturn and the level of savings achieved in 2015/16. It should be noted that whilst the Council's outturn for 2015/16 was favourable and allowed additional monies to be set aside in useable reserves, the position at a directorate level was an overspend of £4.635 million partially offset by the general contingency of £4 million. The delivery of delayed savings, in addition to those included in the 2016/17 Budget will remain a key area of risk to be monitored as the year progresses. It should be noted that the 2016/17 budget sought to improve this risk through the writing out of £3 million unachieved prior year savings. Monitoring of savings has already commenced in the current year with regular consideration at Senior Management Team and timetabled discussion with Cabinet Members.
37. Reserves are an important part of financial resilience as in times of uncertainty, they provide a backstop against volatility. The unaudited accounts show that the level of the Council's General Fund Reserve is £15.255 million. This is an increase of £2.696 million on the previous year's balance however, this includes £1 million that has been transferred for use in funding the 2016/17 budget, in line with the 2016/17 Budget Report proposals. After adjusting for this, the Council's General Reserve, stands at 2.5% of its net revenue expenditure; a slight improvement on the 2.2% from the previous year. Whilst, 2015/16 comparative information is not yet available, this level is below the Welsh average as at 31 March 2015. The snapshot shows an increase in earmarked reserves which now stand at 9% of the net revenue budget, taking them back up from the comparatively low levels held in recent years. A significant element of the increase in earmarked reserves at 2015/16 outturn related to the early repayment of sums previously borrowed from reserves to fund severance costs. Other transfers to reserves were aimed at improving financial resilience in respect of some of the risk areas identified in the previous section, including for example, the waste and welfare reform reserves.
38. The Council's arrangements for holding and utilising reserves is set out in its Financial Procedure Rules. Members, following advice from the Section 151 Officer will consider the level of reserves held and whether any amounts should be used in support of the budget setting process. General practice is to avoid over-reliance on reserves as general budget funding for several reasons. These include firstly, their finite nature which creates an immediate funding gap to be filled in the following year, secondly, the need to conserve the resilience they can provide in times of challenge and significant cumulative savings requirements and finally, the fact that cash balances can help the Council avoid short term borrowing and its associated costs.

39. A careful balance needs to be struck when deciding how reserves may be used in support of the budget. The Budget Strategy Planning Assumptions section of this report, sets out the suggested use of both general and earmarked reserves for 2017/18 and the medium term. The improved position on earmarked reserves strengthens the Budget Strategy assumption of annual use of reserves in support of the budget. In addition, the healthier level of reserves can be used to further improve the Council's financial resilience through their considered use to assist the funding of one-off investment requirement to support transformation and to allow an element of lead in time to more challenging savings.

### The 2017/18 and MTFP Budget Reduction Requirement

40. The 2016/17 Budget Report identified a budget reduction requirement of £24.7 million for 2017/18 and £73 million over the three year MTFP period. A budget reduction of £73 million over a three-year period, is lower than in recent budget rounds but is still highly material and needs to be viewed in the context of the £190 million in savings over the ten year period 2006/07 – 2015/16 with over 50% of these between 2013/14 and 2016/17.
41. The £73 million is considered a base case scenario and is predicated upon the Council receiving Welsh Government funding decreases of 1% each year. The table below summarises the components of the 2017/18 gap as at February 2016.

	Medium Term Budget Gap			
	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Pay and Price Inflation	6,445	5,840	5,464	<b>17,749</b>
Schools Growth	7,770	7,049	7,186	<b>22,005</b>
Capital Financing, Commitments & Realignments	(2,785)	(1,178)	2,067	<b>(1,896)</b>
Non Schools Demographic Growth	3,900	3,900	3,900	<b>11,700</b>
Emerging Financial Pressures	3,000	3,000	3,000	<b>9,000</b>
Fall out of 2016/17 Reserve Funding	2,070	0	0	<b>2,070</b>
Estimated 1% funding reduction	4,263	4,220	4,136	<b>12,619</b>
<b>TOTAL</b>	<b>24,663</b>	<b>22,831</b>	<b>25,753</b>	<b>73,247</b>

42. The following table contains additional detail on the pressures included within the above table and summarises the assumptions that underpinned them as included in the February 2016 Budget Report. Areas marked with an asterisk have undergone review and refresh since February 2016 and further detail on these updates is set out in the section on review and update of the Budget Reduction Requirement.

Plan Area	Pressures covered and key assumptions
Pay and Price Inflation	<ul style="list-style-type: none"> <li>• <b>Pay Award for non-schools staff</b> * – reflects the offer made to Trade Unions in Dec 2015</li> <li>• <b>Voluntary Living Wage (VLW) Uplift</b> – the Council is a VLW Council. As the 2017 rate is not yet known, the plan assumes an uplift in line with 2016</li> <li>• <b>Actuarial Review of LGPS</b> - the valuation date is 31 March 2016. The review findings are not yet confirmed. The MTFP assumes that employer's contributions may increase from 22.9% to 23.4% with the increase stepped over a three year period.</li> <li>• <b>Pensions Auto-enrolment</b> - the plan assumes some additional pension scheme members at the Auto-Enrolment date of 1 October 2017. It is assumed most people will continue to opt out, but for prudence a 10% take up is included.</li> <li>• <b>Incremental Drift</b> – the estimated cost of annual pay scale progression</li> <li>• <b>Exceptional Price inflation</b> – generally, directorates are required to absorb price inflation with their existing resource base. However, the plan includes provision for specific fee uplifts in unavoidable areas.</li> </ul>
Schools Growth	<ul style="list-style-type: none"> <li>• <b>Pay Award</b> * – for non-teaching staff, assumptions are as above. For teaching staff, in the absence of a confirmed award a 1% uplift has been assumed</li> <li>• <b>Incremental Drift</b> – the estimated cost of annual pay scale progression</li> <li>• <b>Pupil Number Growth</b> * – the estimated annual growth from rising pupil numbers</li> <li>• <b>Other Demographic Growth</b> * - growth that relate to needs pressures rather than purely pupil numbers – including breakfast initiatives, free schools meals, complex needs enhancement etc.</li> </ul>
Capital Financing, Commitments & Realignments	<ul style="list-style-type: none"> <li>• <b>Capital Financing</b> * – figures reflect the incremental changes in the cost of servicing debt. These incorporate the impact of a change in Minimum Revenue Provision (MRP) policy from 4.5% to 4% p.a. in 2017/18 to align the provision of debt on supported borrowing with WG assumed levels. Capital financing costs reflect the 2016/17 capital programme, with no assumption of any further new scheme approvals in 2017/18 and onwards.</li> <li>• <b>Commitments</b> – the commitment figure for 2017/18 includes the estimated cost of the Apprenticeship Levy due to take effect from 1 April 2017. The MTFP also includes provision for commitments associated with the Central Enterprise Zone and hosting of the Volvo Round the World Yacht Race.</li> <li>• <b>Realignment – general contingency</b> - As part of the 2014/15 budget a £4million general contingency budget was established in recognition of the financial challenge faced. It is anticipated that the annual savings requirement over the medium term will be lower than in 2014/15 and 2015/16 and it is therefore considered prudent to release £1million of the general contingency in 2017/18.</li> <li>• <b>Realignment – severance budget</b> * - The plan included a £4million realignment downwards of the voluntary redundancy budget over the first two years. This adjustment is based on a reset of the number of anticipated leavers included within the voluntary severance model. The number of staff leaving the Authority on severance is significantly lower than in previous years. In addition, the nature of savings has shifted, with alternative delivery models forming a key component of the medium term financial plan</li> </ul>
Non-Schools Demographic	<ul style="list-style-type: none"> <li>• Over recent years, Cardiff has had one of the fastest growing populations of any UK core city. This trend will continue with statistical</li> </ul>

Plan Area	Pressures covered and key assumptions
Growth	<p>projections suggesting significant population growth out to 2034.</p> <ul style="list-style-type: none"> <li>• Anticipated growth is in age groups in which demand for services can be more costly</li> <li>• Most growth within this section of the plan is in the area of social services. As well as growth in numbers, the plan also provides for increasing complexity of demand in Children’s Services.</li> </ul>
Emerging Financial Pressures	<ul style="list-style-type: none"> <li>• The plan includes £3million per annum to address emerging financial pressures (equating to approx. 0.5% of net budget). This sum has been included in recognition that it is impossible to foresee all issues, and that in reality, additional burdens may arise as the year progresses – legislation/policy/grant fall out. The figure will be reviewed as necessary as the start of the financial year 2017/18 draws nearer.</li> </ul>
Fall out of 2016/17 Reserve Funding	<ul style="list-style-type: none"> <li>• The 2016/17 budget included £2.070 million use of reserves. The plan reflects the fall out of this sum in 2017/18. The budget planning assumptions section resets the levels of earmarked reserves to be used in each year of the MTFP. Starting afresh in this manner ensures that use of reserves are given suitable focus and Member engagement.</li> </ul>
Estimated 1% funding reduction	<ul style="list-style-type: none"> <li>• In the absence of indicative figures, the MTFP assumes an AEF reduction of 1% p.a.</li> <li>• This reflects WLGA modelling which considered a number of scenarios based on WG affording differing levels of protection for the rest of the Welsh public Sector. 1% was considered a “middle of the road” scenario between the most optimistic estimates of a modest increase in funding and the least pessimistic estimates of a 2-2.5% reduction.</li> <li>• A 1% funding reduction equates to £4.3million and therefore the absence of indicative figures is a risk</li> <li>• As part of strengthening financial resilience in the 2016/17 budget, a £4million financial resilience mechanism was established to assist with future funding settlements being worse than anticipated</li> </ul>

### Review and Update of the Budget Reduction Requirement

43. As already noted, the budget reduction requirement is a dynamic figure which must be regularly reviewed to ensure preparedness from a planning perspective. The table below sets out the components of the MTFP that were scheduled for refresh during the first quarter of 2017/18. In addition, reactive refresh has taken place to reflect the 2015/16 outturn position and the Chancellor’s March 2016 budget. In some instances such as pay awards, review and refresh has confirmed assumptions already included within the Medium Term Financial Plan. In others area such as demographic growth further review will be required as the year progresses and finally some areas have been updated as part of this Report including future Teacher’s Pension costs.

<b>Area of Refresh</b>	<b>Influential Factors</b>
Pay and Prices	Finalisation of pay award negotiations, shape of workforce
Schools Growth	Demographic updates and updates on pay awards
Commitments	Further Government announcements on the operation of the Apprenticeship Levy
Realignments	Most recent profile of leavers (VS) and in year monitoring

44. Since the MTFP was published in February, the National Joint Committee pay award has been agreed. The award covers both 2016/17 and 2017/18 and is based on an uplift of 1% with higher increases on lower spinal points. The agreed award is in line with the December 2015 offer upon which the MTFP had already been based and therefore no amendments are required in this respect. A further refresh of the pay calculation will take place in the autumn, to reflect the shape of the workforce at that time and to factor in confirmed Voluntary Living Wage uplift which is usually announced in November. The National Living wage is an area that will need to be kept under close review in coming months. Whilst the impact on Cardiff's own workforce in this respect is anticipated to be minimal given that the Council is already a Voluntary Living Wage Organisation, the impact on external pricing, especially in the area of Social Services could result in significant pressures.
45. An update to the capital financing figures has been undertaken resulting in a £335,000 reduction to the estimated requirement for 2017/18. The update reflects the fact that as part of 2015/16 outturn, premia in relation to repayment of debt rescheduling were charged to the revenue account in full. This released the commitment within the capital financing budget to repay these sums over future years.
46. The Chancellor's March budget announced a reduction in the discount rate used to set employer contributions to unfunded public service pension schemes from 3% above CPI to 2.8% above CPI. This is expected to impact on employers from April 2019. As a funded scheme, the Local Government Pension Scheme (LGPS) will not be affected however, as an unfunded scheme, the Teacher's Pension Scheme will be affected. The estimated impact on the Teacher's pension budget for inclusion in 2019/20 within the MTFP is currently £1.7 million. This is based on an estimated Superannuation Rate of 18.10% in September 2019.
47. MTFP estimates in respect of pupil numbers have been refreshed to update year group funding values, and year group AWPU values as per the 2016/17 delegated schools funding formula. Mainstream pupil numbers have been reviewed with January 2016 PLASC data used to estimate pupil numbers at 2016. These changes suggest a required increase of £240,000 to figures included in the first year of the MTFP. This is offset by a minor increase in estimated Special Resource Base growth requirements having taken into

account SEN review proposals. The net impact is a £202,000 increase in demographic pressure for 2017/18. It is not proposed that this increase is reflected within the budget reduction requirement at this stage. This is because in 2015/16 actual expenditure in relation to other schools' growth areas, specifically School Breakfast Initiatives and Free School Meals were lower than anticipated. Further review is due to take place but it is anticipated that sums included in the plan for the latter areas can be redirected into pupil number growth upon September refresh.

48. The Apprenticeship Levy was scheduled for refresh during the first quarter in order to reflect within the MTFP any further clarity that might have emerged with regards the detailed operation of the scheme. It is confirmed that the levy will apply to both public and private sector employers at a rate of 0.5% on pay-bills in excess of £3 million and it is anticipated that Wales' share of the funding will be allocated in line with the Barnett Formula although this remains to be confirmed. However, WG have yet to confirm how they will distribute the fund in support of Welsh apprenticeships. This area will be kept under review as the year progresses.
49. The voluntary redundancy realignment was scheduled for refresh during the first quarter of the year in order to reflect the 2015/16 outturn position on severance and its implications for the voluntary severance model. The 2015/16 outturn on voluntary redundancy was less than previously anticipated and in general terms, the number of staff leaving the Council on voluntary redundancy has fallen in recent years. Traditionally, a high proportion of annual savings budgets had been found through reductions in staff posts and restructures. The opportunities for these savings are reducing and less are anticipated in the future unless they are linked to technological reform. The medium term plan had already reflected a significant reduction in severance requirements over the first two years of the plan. Opportunity was taken from the lower than anticipated 2015/16 severance cost to make early repayment in respect of sums previously borrowed from reserves and this resulted in an increase in 2017/18 addressable spend savings as outlined in a subsequent section of this report. However, releasing higher sums in the first year of the plan will reduce the level of reduction originally planned in 2018/19, and this is reflected in the update.
50. Taking into account the updates outlined above, the updated Medium Term budget gap upon which this Report is based is £75.297 million. The increase since February 2016 is largely the result of an estimated increase in Teachers Pension costs in 2019/20 based on announcements in the Chancellor's March 2016 budget. The budget reduction requirement for 2017/18 has reduced slightly to £24.328 million; a result of decisions taken at outturn 2015/16 to repay premia in respect of debt rescheduling. This is summarised in the following table:-

	Updated Medium Term Budget Gap			
	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
<b>Medium Term Budget Gap at Feb 2016</b>	24,663	22,831	25,753	<b>73,247</b>
Capital Financing Update	(335)			<b>(335)</b>
Teachers' Pension Scheme Update			1,700	<b>1,700</b>
Voluntary Severance		685		<b>685</b>
<b>Medium Term Budget Gap at July 2016</b>	24,328	23,516	27,453	<b>75,297</b>

## Approach to Budget Strategy

### Recap of 2016/17 Position

51. The February 2016 Budget Report identified a final budget gap of £33m for 2016/17. The approved budget addressed this shortfall through savings amounting to £28.835 million and a 3.7% increase in the rate of Council Tax.
  
52. The Budget Strategy for 2016/17 involved a marked shift from incremental budgeting, with the adoption of an approach that was aimed at understanding services at their most basic level, facilitating discussion on corporate priorities and the future shape of the organisation and considering how base budgets could be reshaped accordingly. These discussions resulted in a framework for directorate savings targets over both one and three years, recognising that flexibility would be required to review and adapt the incidence of savings as detailed budget work progressed and to reflect emerging issues. The better than anticipated 2016/17 funding settlement which has already been referred to above, provided an opportunity for further review and in unpacking its impact the Council sought to improve financial resilience for 2016/17 and beyond in a number of respects. These included: -
  - i) **Review of budget planning assumptions** – to reduce the use of one year only solutions, to take out areas of high risk and to support key corporate priorities
  - ii) **Reduction of future risk** – through introduction of a new mechanism to improve financial resilience and enable one off investment and development in priority areas
  - iii) **Review financial pressures** – to address emerging risk areas, to review areas of high risk or uncertainty and to address corporate priorities
  - iv) **Review savings proposals** – to address the pace and scale of the most challenging 2016/17 savings proposals and to improve the financial position for 2017/18 and beyond by re-profiling some proposals back to later years. It should also be noted that savings proposals in respect of prior years that were recognised as no longer being technically

achievable, were written out as part of the 2016/17 budget process.

## **Overview of Approach – 2017/18 and Beyond**

53. The 2016/17 approach has provided a sound foundation from which to take forward detailed work on the 2017/18 Budget Strategy. In particular, the more detailed response to the medium term budget reduction requirement outlined in the 2016/17 Budget Report has enabled work to commence on development and review of proposals earlier in the year, without the need to revisit a detailed target-setting exercise.
54. Preparation for the 2017/18 Budget has sought to build on the momentum generated in 2016/17 by bringing forward the usual focus for Budget Strategy Tasks by at least one quarter. Directorates are currently in the process of developing more detailed savings plans and testing achievability, a process that will need to be closely informed by the progress towards 2016/17 savings.
55. As part of ongoing work in relation to Budget Strategy, the budget reduction requirement is kept under close review and as part of first quarter work on the budget, review, update and refresh has taken place as described in earlier sections.
56. There are two key areas of focus in addressing the budget reduction requirement and Budget Strategy development is aimed at identifying a combination of these that strikes a suitable balance between statutory duty, corporate priorities and financial resilience. The two areas are outlined below with greater detail included in subsequent sections of the Report.

### **1. Set a framework for assumptions around a) Council Tax Income b) Restrictions to Schools Growth and c) Use of Earmarked Reserves**

The 2017/18 Budget Strategy emphasised that identification of savings from within the Council's controllable base budget will be an insufficient solution to the medium term budget reduction requirement. All areas of the Council's budget, funding sources and cash balances are considered as part of the solution to the budget gap. The detailed consideration that have taken place in respect of these are outlined in paragraphs 62 to 68.

### **2. Reduce Existing Budgets through savings**

As noted above, the 2016/17 budget process, set a clear direction for savings targets over the medium term and directorates are currently in the process of testing achievability and developing detail in respect of draft 2017/18 savings proposals. Further information on the areas in which savings are being targeted is included in the savings section in this report. It is intended that early consultation on these areas will take place over the summer as part of the "Ask Cardiff" survey and that this will pave the way for more detailed consultation in the autumn, at which point the Council should also be in receipt of the 2017/18 Provisional Settlement.

57. The budget timetable is predicated upon directorates undertaking further work on 2018/19 proposals over the summer to enable collective review and discussion by Senior Management Team and Cabinet during the autumn.



Focus will then shift to more detailed target setting for 2019/20. Over the winter months, work will commence on rolling the MTFP forward one year into 2020/21 for inclusion in the February 2017 Budget Report. A brief overview of this timetable is included overleaf.

HIGH LEVEL BUDGET STRATEGY TASKS		Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2017/18	Update budget reduction requirement									
	Develop detailed 2017/18 approach & timetable									
	Commence detailed review of Existing Savings Framework									
	Challenge and Due Diligence									
	Consider progress towards 2016/17 proposals									
	Detailed discussion - (SMT/Cabinet)									
	Consult on general themes									
	Consult on detailed proposals (post settlement)									
2018/19	Existing savings framework (18/19) – high level review									
	High Level Adjustment to Existing framework									
	Detailed development of proposals									
	Discussion, challenge and due diligence									
2019/20	Revisit detailed target setting									

### Budget Strategy to Address Medium Term Reduction Requirement (Budget Report 2016/17)

58. As noted in earlier sections, the 2016/17 Budget Strategy set the direction of travel for addressing the level of savings required over the medium term through the adoption of an approach aimed at understanding services at their most basic level and considering how base budgets could be reshaped over the medium term. These discussions resulted in a framework for directorate savings targets over both one and three years, recognising that flexibility would be required to review and adapt the incidence of savings as detailed budget work progressed and to reflect emerging issues.
59. The February 2016 Budget Report set out the framework for savings which emanated from this exercise and outlined Budget Strategy Assumptions for the medium term. These included:-
- An annual cap on schools' non-demographic growth of 30% per annum
  - A council tax increase of 3.7% per annum in line with the 2016/17 increase
  - An annual draw down from reserves of £1.5 million which was a sum considered to strike a balance between protecting financial resilience and

facilitating a balanced budget.

60. A reminder of the budget strategy assumptions and framework for savings that were included in the 2016/17 Budget Report are set out in the table below.

**Budget Strategy Overview (at 2016/17 Budget Report)**

	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
<b>Budget Reduction Requirement</b>	<b>24,663</b>	<b>22,831</b>	<b>25,753</b>	<b>73,247</b>

<b>Strategy to Address Budget Reduction Requirement Per 2016/17 Budget Report</b>				
<b>Budget Strategy Assumptions</b>				
Cap on Schools Growth - @ 30%	1,253	1,163	1,073	<b>3,489</b>
Council tax at 3.7%	4,451	4,616	4,786	<b>13,853</b>
Use of Earmarked Reserves	1,500	1,500	1,500	<b>4,500</b>
<b>Total Assumptions</b>	<b>7,204</b>	<b>7,279</b>	<b>7,359</b>	<b>21,842</b>
<b>Addressable Spend Savings</b>				
	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>9,000</b>
<b>Directorate Savings</b>				
Being a Commercially Minded Council	7,787	7,472	9,388	<b>24,647</b>
Ensuring Public Services are Accessible	583	645	810	<b>2,038</b>
Greater Alignment of our Services	3,296	3,198	4,018	<b>10,512</b>
Targeting Services and Early Intervention	2,793	1,237	1,178	<b>5,208</b>
<b>Total Directorate Savings</b>	<b>14,459</b>	<b>12,552</b>	<b>15,394</b>	<b>42,405</b>
<b>Total Strategy to Address Gap</b>	<b>24,663</b>	<b>22,831</b>	<b>25,753</b>	<b>73,247</b>

61. The next section sets out how the above position has been updated in preparing this report in order to reflect:-

1. Review of budget strategy assumptions
2. Review of the savings framework to reflect work that is ongoing within directorates to test the achievability of savings proposals and develop more detailed savings plans; a process that will need to be closely informed by the progress towards 2016/17 savings.
3. The increase of the budget gap to £75.3 million over the three year period with a £335,000 reduction in the requirement for 2017/18

**Budget Strategy to Address Medium Term Reduction Requirement – Updated**

62. Budget Assumptions represent almost 30% of the proposed approach to address the budget reduction requirement and are therefore a material part of Budget Strategy. Assumptions will need to be revisited frequently throughout the budget process to ensure their ongoing achievability and acceptability. Any

changes will have a significant impact on medium term savings requirements. As part of the preparatory work for this Report, assumptions have been reviewed as summarised below.

63. The updated MTFP includes total growth of £23.7 million in respect of Schools budgets. The table below analyses the components of this sum.

	Medium Term Budget Gap			
	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Demographic Growth (Mainstream Pupil Numbers and Special Schools Places Purchased)	2,428	2,112	2,569	<b>7,109</b>
Other Demographic Pressures (Needs)	1,167	1,062	1,042	<b>3,271</b>
Pay and Price Inflation	4,175	3,875	5,275	<b>13,325</b>
<b>Total Growth</b>	<b>7,770</b>	<b>7,049</b>	<b>8,886</b>	<b>23,705</b>
<b>30% cap on pay and price inflation</b>	<b>(1,253)</b>	<b>(1,163)</b>	<b>(1,582)</b>	<b>(3,999)</b>
<b>Net Schools Growth</b>	<b>6,517</b>	<b>5,886</b>	<b>7,304</b>	<b>19,706</b>
<b>Percentage of Schools Budget</b>	<b>3%</b>	<b>2.6%</b>	<b>3.2%</b>	<b>9.1%</b>

64. The Budget Strategy is predicated upon Schools being awarded 100% of the demographic growth relating to mainstream pupil numbers and their associated needs with annual non-demographic growth capped by 30% as illustrated above. Whilst this approach is consistent with the direction set in the February 2016/17 Budget Report, it should be noted that in terms of quantum, the value of the cap has increased by £0.5 million in 2019/20. This is a direct result of the £1.7 million increase to non-demographic growth in that year to reflect announcements made in the Chancellor's March 2016 budget with regards unfunded pension schemes.
65. After application of the cap, the budget strategy provides £19.7 million growth for schools over the three year plan period, in alignment with the corporate plan priority to provide better education and skills and ensure that every Cardiff school is a good school. This investment is equivalent to 9.1% of the existing schools budget and will increase schools' budgets from £216 million to £236 million over the plan period. There are currently no official announcements in respect of future Welsh Government protection requirements and this area will be kept under review as the year progresses.
66. The assumption of a 3.7% annual council tax increase, generating net income of £13.853 million, has been retained over the life of the plan. This assumption will be revisited at intervals throughout the year including at provisional settlement when the overall funding position for 2017/18 is afforded more clarity and in December 2016 when the Council tax base is set.

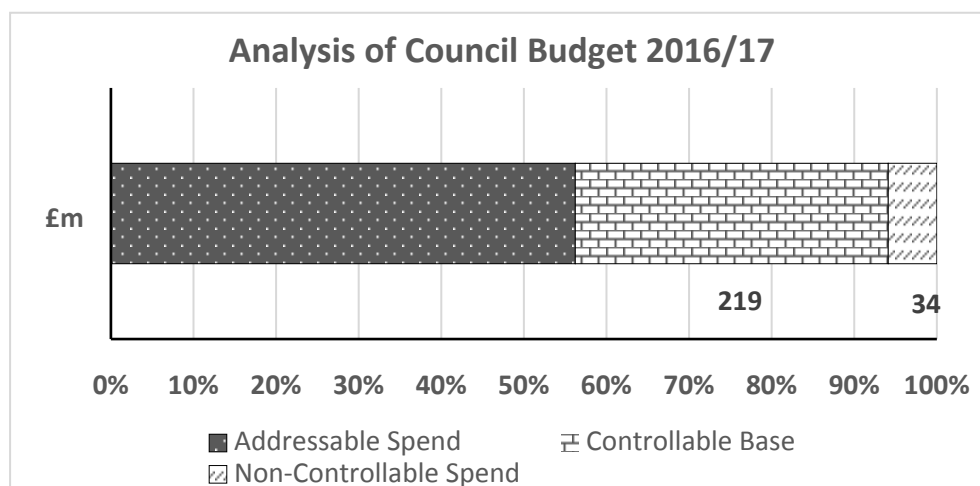
67. The assumption of an annual reserve draw-down of £1.5 million per annum has also been retained. In line with best practice, careful annual scrutiny is given to earmarked reserves, their planned profile of use and the specific reserves for release in support of general budget funding. In addition to the use of £1.5 million as set out above, ongoing budget work will consider the extent to which earmarked reserves may be used to support the delivery of specific savings proposals by providing one-off funding to cover an element of lead-in time.
68. The above updates result in a revised set of budget assumptions as highlighted below. This leaves a total of £52.945 million to be identified through savings over three years, with £17.124 million in 2017/18.

	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
<b>Updated Budget Reduction Requirement</b>	<b>24,328</b>	<b>23,516</b>	<b>27,453</b>	<b>75,297</b>
<b>Budget Strategy Assumptions</b>				
Cap on Schools Growth - @ 30%	1,253	1,163	1,583	<b>3,999</b>
Council tax at 3.7%	4,451	4,616	4,786	<b>13,853</b>
Use of Earmarked Reserves	1,500	1,500	1,500	<b>4,500</b>
<b>Total Assumptions</b>	<b>7,204</b>	<b>7,279</b>	<b>7,869</b>	<b>22,352</b>
<b>Amount to be identified through Savings</b>	<b>17,124</b>	<b>16,237</b>	<b>19,584</b>	<b>52,945</b>

### Addressable Spend

69. The 2016/17 Budget Report set a target of £3 million per annum to be found from areas of addressable spend. The term addressable spend is used to refer to components of the Council's budget in which it is more difficult for individual directorate to propose savings. This is for a number of reasons, some examples of which are that budgets in this area are :-
1. Delegated to schools and have previously been the subject of WG protection and are experiencing significant demographic pressure
  2. Externally set such as the £17 million fire levy budget
  3. Are a part of corporate financial planning and resilience, for example the £5 million insurance budget
  4. Are necessary to service debt, for example the £37 million capital financing budget required to support borrowing in relation to the capital programme
70. The graph overleaf illustrates that these budgets accounts for 56% of the Council's overall cash limit. Therefore, whilst they are more difficult to cut, they cannot be ignored in setting the Council's budget strategy. The Councils' controllable savings base, also highlighted in the graph below has made significant savings over many years. It contains areas of statutory duty and significant demand pressures including the Social Services budget of over £140

million. The controllable base budget will not be capable of meeting the future budget gap in isolation whilst maintaining statutory responsibilities and this is highlighted further in the future outlook section.



71. In order to ensure that addressable spend budgets are given appropriate consideration as part of the budget solution a three pronged approach is adopted.
- i) The contribution that delegated school’s budgets play in respect of budget strategy are set as part of budget strategy assumptions through a cap on school’s non-demographic growth. This ensures that adequate visibility and discussion is afforded to the need to invest in schools to recognise both WG protection requirements and Corporate Plan priorities but that this needs to be balanced to reflect that the School’s budget accounts for 37% of the Council’s overall budget.
  - ii) Some addressable spend budgets are highly technical in nature such as the capital financing budget which is interlinked with decisions on the capital programme and fluctuate upwards or downwards based on the contents of the capital programme and other external factors such as interest rates. Budgets of this nature are scheduled for regular review and refresh of the budget reduction requirement to ensure appropriate ongoing challenge
  - iii) Finally, some areas are corporate in nature, such as savings contingency budgets, insurance budgets, property budgets and levy budgets whilst others have a dual directorate emphasis such as school transport. The Council has identified champions in these areas (Elected Member and SMT) in order to proactively identify and drive out savings. The 2016/17 Budget Report targeted £3 million per annum in this respect. These savings are termed addressable spend savings and involve the Council taking proactive measures to reduce these budgets. This is distinct from annual budget fluctuations or realignments which would be captured as changes to the budget gap.
72. It was noted above that in setting this budget strategy report, the Council has taken into account the 2015/16 Outturn Report. As part of 2015/16 outturn, the Council took proactive steps to make early repayments in respect of sums borrowed from earmarked reserves in respect of voluntary redundancy and to

the pension fund in respect of pension strain payments. This has had the effect of increasing the addressable spend savings anticipated for 2017/18 to £3.9 million. This is reflected in the Budget Strategy below and leaves a residual sum of £43 million to be found from directorate savings over the three-year period with £13 million in 2017/18.

	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
<b>Updated Budget Reduction Requirement</b>	<b>24,328</b>	<b>23,516</b>	<b>27,453</b>	<b>75,297</b>

<b>Budget Strategy Assumptions</b>				
Cap on Schools Growth - @ 30%	1,253	1,163	1,583	<b>3,999</b>
Council tax at 3.7%	4,451	4,616	4,786	<b>13,853</b>
Use of Earmarked Reserves	1,500	1,500	1,500	<b>4,500</b>
<b>Total Assumptions</b>	<b>7,204</b>	<b>7,279</b>	<b>7,869</b>	<b>22,352</b>

<b>Addressable Spend Savings</b>	<b>3,910</b>	<b>3,000</b>	<b>3,000</b>	<b>9,910</b>
----------------------------------	--------------	--------------	--------------	--------------

<b>Directorate Savings Required</b>	<b>13,214</b>	<b>13,237</b>	<b>16,584</b>	<b>43,035</b>
-------------------------------------	---------------	---------------	---------------	---------------

73. The 2016/17 Budget Report identified the framework for directorate savings set out in the following table. These were identified in the directorate clusters and savings themes. As noted above, this framework emanated from the 2016/17 approach to budget strategy which involved a collaborative approach to target setting and understanding of how budgets would be reshaped over the medium term.

Savings Theme	2017/18				2018/19 £000	2019/20 £000	TOTAL £000
	Comm's & Wellbeing £000	Place £000	Corporate £000	Total £000			
Being a Commercially Minded Council	4,428	2,757	602	<b>7,787</b>	<b>7,472</b>	<b>9,388</b>	<b>24,647</b>
Ensuring Public Services area Accessible	150	50	383	<b>583</b>	<b>645</b>	<b>810</b>	<b>2,038</b>
Greater Alignment of Services	1,472	1,003	821	<b>3,296</b>	<b>3,198</b>	<b>4,018</b>	<b>10,512</b>
Targeting Services and Early Intervention	2,793	0	0	<b>2,793</b>	<b>1,237</b>	<b>1,178</b>	<b>5,208</b>
<b>TOTAL</b>	<b>8,843</b>	<b>3,810</b>	<b>1,806</b>	<b>14,459</b>	<b>12,552</b>	<b>15,394</b>	<b>42,405</b>

74. As part of budget strategy work during the first quarter of 2016/17, directorates have commenced work on reviewing the savings framework. It was accepted at the outset of the 2016/17 process that directorates would need to be given the flexibility to adjust and amend this framework as time progressed to take account of emerging issues and, given that proposals build on proposals in the current year, to take account of in-year progress towards savings.
75. The revised framework for savings for 2017/18 and beyond is set out below. The themes used in the 2016/17 Budget Report have been updated to align with general budgetary questions that will form part of the Ask Cardiff consultation over the summer months. The ethos of the themes is broadly consistent with those used in the budget report but should provide additional clarity to members of the public. There is also synergy between these themes and the Council's corporate plan priorities.

	2017/18			
	Comms & WellBeing £000	Place £000	Corporate £000	Total £000
Income Generation	1,127	1,289	391	2,807
Working with Partners & Others	727	1109	0	1,836
Use of Technology	200	138	372	710
Review of Subsidies and Grants	473	245	134	852
Internally Facing Proposals	3557	837	670	5,064
Second/Third year of Proposals	2709	0	89	2,798
<b>TOTAL</b>	<b>8,793</b>	<b>3,618</b>	<b>1,656</b>	<b>14,067</b>
<b>TARGET</b>				<b>13,214</b>
<b>DIFFERENCE</b>				<b>(853)</b>

76. The above table shows an overprovision of savings in relation to 2017/18. In undertaking this work, directorates were asked to maintain the overall figure targeted for them within the existing savings framework. The over-provision provides flexibility to test and address the achievability of savings and to take account of consultation feedback, reviewing the potential to delay some to later years if required. The following table sets out the updated position over three years. As noted in the earlier section on approach, detailed review of 2018/19 savings will take place over the summer followed by further review of 2019/20 over the autumn, which at present is more general in nature.

	2017/18 and 2018/19			2019/20	Total £000
	Comms & WellBeing £000	Place £000	Corporate £000	TBC £000	
Income Generation	1,906	1,640	894	2,738	7,178
Working with Partners & Others	2,959	1,247	2,189	3,944	10,339
Use of Technology	425	558	672	1,021	2,676
Review of Subsidies and Grants	723	405	173	802	2,103
Internally Facing Proposals	5,007	2,127	1,121	5,091	13,346
Second/Third year of Proposals	3,576	0	89	2,260	5,925
Service Reduction/Redesign	520	0	388	560	1,468
<b>TOTAL</b>	<b>15,116</b>	<b>5,977</b>	<b>5,526</b>	<b>16,416</b>	<b>43,035</b>

<b>TARGET</b>	<b>43,035</b>
<b>DIFFERENCE</b>	<b>0</b>

77. The themes identify that, as in recent years, income generation is a key driver for the Council. It should be noted that as the Council pushes forward to develop a more commercial approach, significant elements of the Council's existing income budget will no longer fall under the Council's control. It is reasonable therefore to assume, that as the Council reshapes itself and progresses with alternative delivery models, the scope to generate income will

be affected. It is important to bear in mind that as the Council reshapes itself, the nature of savings and key savings drivers will need to shift focus too and this will play an important part in the review of the 2019/20 position later in the year.

## Summary Overview

78. The table on the next page draws together the detailed consideration of all aspects of Budget Strategy set out in earlier sections into a summarised overview.

<b>Estimated Budget Reduction Requirement</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>TOTAL £000</b>
Pay and Price Inflation	6,445	5,840	5,464	<b>17,749</b>
Schools Growth	7,770	7,049	8,886	<b>23,705</b>
Capital Financing, Commitments & Realignments	-3,120	-493	2,067	<b>-1,546</b>
Non Schools Demographic Growth	3,900	3,900	3,900	<b>11,700</b>
Emerging Financial Pressures	3,000	3,000	3,000	<b>9,000</b>
Fall out of 2016/17 Reserve Funding	2,070	0	0	<b>2,070</b>
Estimated 1% funding reduction	4,263	4,220	4,136	<b>12,619</b>
<b>Budget Reduction Requirement</b>	<b>24,328</b>	<b>23,516</b>	<b>27,453</b>	<b>75,297</b>

<b>Strategy to Address Budget Reduction Requirement</b>				
<b>Budget Strategy Assumptions</b>				
Cap on Schools Non-Demographic Growth @ 30%	1,253	1,163	1,583	<b>3,999</b>
Council tax at 3.7%	4,451	4,616	4,786	<b>13,853</b>
Use of Earmarked Reserves	1,500	1,500	1,500	<b>4,500</b>
<b>Total Assumptions</b>	<b>7,204</b>	<b>7,279</b>	<b>7,869</b>	<b>22,352</b>
<b>Addressable Spend Savings</b>				
<b>Directorate Savings</b>				
Income Generation	2,807	1,633	2,738	7,178
Working with Partners & Others	1,836	4,559	3,944	10,339
Use of Technology	710	945	1,021	2,676
Review of Subsidies and Grants	852	449	802	2,103
Internally Facing Proposals	5,064	3,191	5,091	13,346
Second/Third year of Proposals	2,798	867	2,260	5,925
Service Reduction/Redesign		908	560	1,468
<b>Total Directorate Savings</b>	<b>14,067</b>	<b>12,552</b>	<b>16,416</b>	<b>43,035</b>
<b>Total Strategy to Address Gap</b>	<b>-853</b>	<b>685</b>	<b>168</b>	<b>0</b>



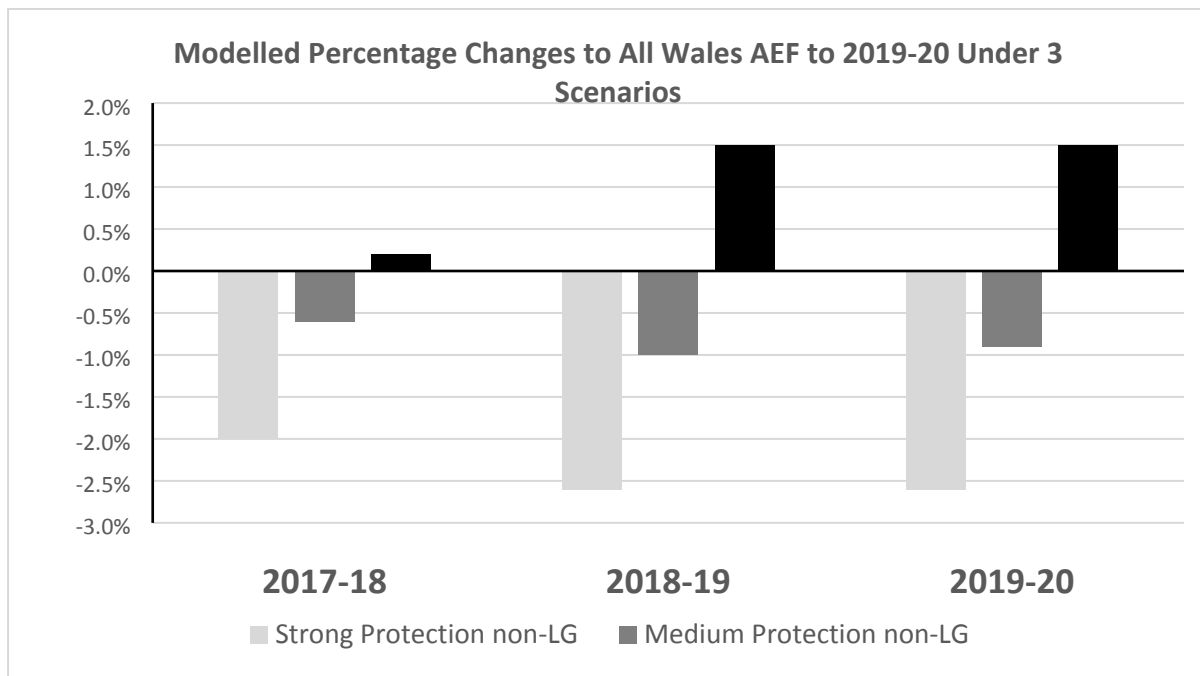
## Medium Term Financial Plan Scenario Analysis

79. The base case scenario was underpinned by a year on year AEF reduction of 1% over the next three years. A sensitivity analysis has been undertaken around some of the key variables of the plan to consider a worst case scenario. These included:-
- The possibility of annual AEF reduction of 2% compared to the 1% included in the base case
  - A more pessimistic outcome of the Actuarial Review
  - A higher percentage of people opting to remain in the LGPS upon auto-enrolment
  - Pay award of 2% compared to the 1% within the MTFP base case.
80. The possibility of a 2% pay award for non-teaching staff has now been removed as the pay award for 2017/18 has been agreed. The worst case scenario has been updated in this respect and an updated position is set out below.

<b>Worst Case Scenario</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>TOTAL £000</b>
<b>Base Case MTFP Position</b>	<b>24,328</b>	<b>23,516</b>	<b>27,453</b>	<b>75,297</b>
Changes:				
AEF	4,263	4,220	4,136	12,619
Pay Award	1,700	3,200	3,150	8,050
Pensions Issues - actuarial	1,055	1,055	680	2,790
<b>Revised MTFP Shortfall</b>	<b>31,346</b>	<b>31,991</b>	<b>35,419</b>	<b>98,756</b>

81. The key areas of risk relate to fluctuations in pay award and future funding levels. With regards pay award, in his Summer 2015 budget the Chancellor stated that up until 2020, he would make provision for pay awards of 1%. This extrapolates the general theme of restraint in public sector pay over the medium term. Whilst this indicates the Chancellor's intended provision for public sector pay, it is not necessarily indicative of the actual pay awards over this period which will be determined by respective bargaining processes. For this reason, the risk of higher awards have been reflected in the worst case scenario for prudence, although could perhaps be considered unlikely.
82. The worst case scenario also considers the possibility of annual funding reductions of 2% per annum compared to the 1% in the base case MTFP. As part of the 2016/17 budget, the Council established a financial resilience mechanism of £4 million. The mechanism is a base budget to be used for one-off investment in areas of corporate priority but would be available for immediate release in future years in the event that settlements are worse than reflected in the base case MTFP. Releasing this mechanism means that the Council could withstand an AEF reduction of 2% in 2017/18, or for example, of up to 1.5% in each of the years 2017/18 and 2018/19 without significantly departing from the existing budget strategy.

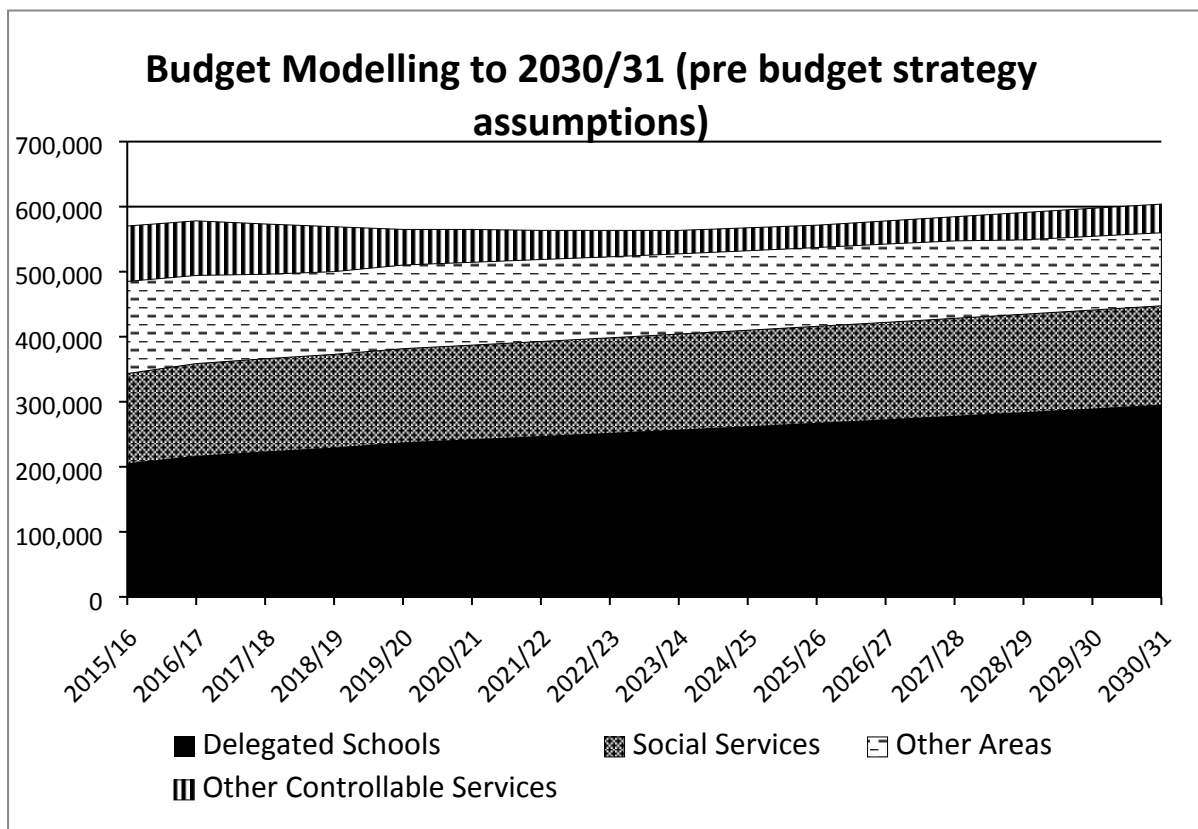
83. The funding levels included within the plan are the Council’s interpretation of WLGA modelling. This modelling was based on estimated levels of future Welsh Block Grant and considered various protection scenarios for other parts of the Welsh public sector, setting out weak protection for some areas, medium protection for other areas and strong protection for remaining areas. These are summarised in the WLGA graph below.



84. In the absence of any indicative figures from WG and taking into account the potential range identified in the above modelling, the council’s base case assumption of a 1% reduction along with the ability to withstand a further 1% through release of the financial resilience would be sufficient to cover the worse-case scenario for 2017/18 modelled above. It should be noted however, that there are other risks that could have a negative impact on Cardiff’s future funding position, the most significant being the potential for redistributive changes within the formula to recognise the sparsity issues raised by more rural Councils in Wales.

### Future Years Outlook

85. The following chart illustrates the likely shape of the Council’s budget moving beyond the life of the current MTFP. Clearly, it is very difficult to predict this far into the future given the inherent uncertainty in key areas. The graph therefore considers the likely envelope of funding and analyses the resultant shape of the budget, if recent trends and current policies are extended over the life of the plan. It shows that controllable base budgets, which themselves contain areas of statutory duty will continue to contract as scarce resources are redirected into growth areas.



86. The graph is before any budget strategy assumptions around capping of schools’ growth, council tax increases and use of reserves are taken into account as part of the budgetary solution. The “Other Areas” include addressable spend budgets which, as noted above, are more difficult areas from which to release savings along with non-controllable budgets such as the £28 million Council Tax Support budget. The “Other Areas” also include the capital financing budget and it is of note that no further growth beyond the existing capital programme has been factored into the graph. Consequently, any new approved schemes that are dependent on additional borrowing will further reduce controllable services. The issue of the revenue affordability of the capital programme is considered further in the section on Capital.

87. The graph emphasises some key points from a financial planning perspective:-
- Savings made from the Council’s controllable savings base, which itself includes a number of areas of statutory duty will not be a sufficient long term solution to the financial challenge. Solutions outside of this will need to play a key part of the medium term plan. The practice in recent budget rounds of focussing on all areas of addressable spend and robustly reviewing budget strategy assumptions will need to be continued
  - At a time when funding levels are static or reducing, growth in one area must inevitably be at the expense of others. Consequently, annual budgetary decisions can have a significant impact on the shape of the Council’s budget over an extended time frame. Funding expansion of the capital programme or ongoing investment in schools budgets will necessitate the steeper contraction of budgets in other areas
  - It will be important to continue to set clear assumptions and policies at an early enough stage to have the most impact on the future shape of the Council’s budget. It may be that policies are considered unaffordable when viewed over an extended time frame

## Consultation and Engagement

88. Consultation on the Council's 2016/17 budget proposals "Changes for Cardiff" ran from 11 December 2015 – 12 January 2016. A number of mechanisms were used to ensure the consultation was as accessible as possible with 5,000 hard copies distributed throughout the city to public buildings and communication to 6,000 Council staff and all Members. The consultation had a significant online presence including a live question and answer session, an online version of the questionnaire and promotion of the consultation to over 75,000 email addresses held by the Council in connection with service delivery and council tax. It was promoted via email to partner organisations, MPs, AMs and neighbourhood partnerships. It was promoted to 8,000 people via the Police Community Messaging Services and communicated to 7,000 Cardiff & Vale University Health Board staff. In addition, 20 community engagement drop-in events were held across the city during the course of the consultation and an engagement forum with the Cardiff Youth Council took place.
89. A full copy of the consultation findings is available as an Appendix to the 2016/17 Budget Report and are available on the Budget Section of the Council's website.
90. The above highlights that the Council places high regard on being open and transparent about the difficult choices faced and wants to provide an opportunity for people to have their say on what is important to them and their communities. The Council's co-operative values focus on fairness, openness and working together and greater consultation, engagement and joint working with citizens are at the heart of these values. Detailed consultation on 2017/18 budget proposals will take place later in the Autumn, once the Council's funding position has been confirmed by the Provisional Settlement. Over the summer months, the Ask Cardiff survey will pave the way for more detailed consultation through inclusion of a number of budget themes.
91. The proposed Budget Timetable Framework for 2017/18 is included at Appendix 2 and refers to the involvement and consultation that will take place throughout the period, in respect of Cardiff Citizens, the third sector, Budget Forum, Scrutiny Committee, Audit Committee Members, Trade Unions and staff together with statutory consultation with schools.

## Engagement

92. Employee engagement at all levels within the organisation continues to be given high priority through Employee Roadshows, Chief Executive "Have Your Say" sessions and a growing employee ambassador network. The Council's values and employee charter are two fundamental concepts, shaped by employee feedback themselves, which provide a firm foundation for a culture which fosters employee engagement on organisational issues. The Employee Charter is reflected as a behavioural objective for all employees. The Council has three established forums to engage directly and work with - employees (ambassadors), managers (Cardiff Manager Forum) and Senior Manager (senior management forum.) In addition, Cardiff Voice Events bring together membership from all three fora.

## **Member Engagement**

93. Council member engagement with the budget process will continue through regular all-member briefings and Finance Spokesperson sessions. In addition members will take part in budget discussions at Scrutiny Committees and other regular forums.

## **Future Developments**

94. During 2015, the WLGA and CIPFA appointed an Independent Commission to review the future of Local Government Finance in Wales chaired by Professor Tony Travers. The review was not aimed at undertaking a detailed review of the funding formula, instead the Commission were requested to focus on a broader overview of the system and Welsh Local Government were encouraged to contribute. The over-riding purpose was to examine how local government funding in Wales could be made more sustainable. The outcome was a series of recommendations for potential reform intended to improve how local public services are financed in Wales in ways that also promoted greater self-reliance and local decision-making, encouraged entrepreneurialism and innovation as well as offering stability and reducing dependency on Welsh Government.

95. The recommendations of the Report "Ambition for Change – Aiming Higher" included:-

- Retention of NDR (with safety mechanisms)
- Revaluation of Council tax as soon as possible
- Welsh Government legislation to make it possible for city regions to reform bandings and the ratio of council tax payable band to band
- De-hypothecation of grants
- Further discretion for Authorities on fees and charges
- The establishment of a Welsh OBR to independently review the WG's forecasts of revenue and expenditure including the assumptions around Local Government
- The existing RSG formula be frozen
- The establishment of an Independent Commission to oversee and review the development of a future grant distribution formula

96. It had previously been widely anticipated that Local Government Reorganisation would be the likely point at which the existing Local Government Finance system could be overhauled. However, the future of Local Government Reorganisation (LGR) is currently uncertain. In the Autumn, the MTFP will be rolled forward one year into 2020/21 which was expected to be the first year of operation of merged Authorities. Both potential changes to the Local Government Finance system and update on LGR will need to be kept under close review.

## **Future Generations and Wellbeing**

97. The Well-being of Future Generations (Wales) Act is aimed at improving the social, economic, environmental and cultural well-being of Wales. It is intended to make public bodies consider the longer term, to work more collaboratively with people and communities and to consider preventative solutions. To assist public bodies in

achieving this vision, the Act sets out seven well-being goals and encapsulates five ways of working as set out below.

Wellbeing Goals	<ul style="list-style-type: none"> <li>• A prosperous Wales</li> <li>• A resilient Wales</li> <li>• A healthier Wales</li> <li>• A more Equal Wales</li> <li>• A Wales of cohesive communities</li> <li>• A Wales of vibrant culture and thriving welsh language</li> <li>• A globally responsible Wales</li> </ul>
Ways of Working	<ul style="list-style-type: none"> <li>• Long Term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul>

98. The five ways of working are intended to help bodies ensure that they follow the sustainable development principle which is that “a body must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.” In developing further detail around the 2017/18 budget proposals and beyond over the remainder of the year, the Council will need to consider how best to embed these and matters within the financial planning process.

### Capital Programme

99. The level of support provided by the WG is barely sufficient to meet current annual capital expenditure commitments, meaning that the Council is having to increase its borrowing. In 2016/17 the Council will receive £13.5 million in grant and supported borrowing approval from the WG to be used to determine its own spending priorities for capital items. This is a 35% decrease compared with 2010/11 and the lowest per capita in Wales.

100. Expenditure pressures include:

- Ensuring a sustainable property asset base and that property is fit to deliver service improvements, by addressing the maintenance backlog, disabled access and health and safety requirements
- Meeting the aspirations of directorates to invest in existing assets or create new capital assets in order to improve service delivery and meet pressures of increasing demand.
- The need to maintain the highway and associated infrastructure such as roads, traffic signals, signs, bridges, street lighting and address the backlog of repairs to avoid higher costs in future.
- To continue annual commitments and meet mandatory investment in services such as disabled adaptations, whilst Welsh Government General Capital Funding has been reduced.
- Meeting the economic development, regeneration, employment and capital city aspirations of Cardiff and the region.
- City Deal and other major regeneration projects being developed.
- Requirement for capital investment to meet savings targets, to generate

income, to reshape the way services are delivered and to meet the costs of organisational development.

- Meeting expenditure commitments from capital schemes approved in previous years.
- Implementing the Council's 21<sup>st</sup> century schools investment programme
- Meeting expenditure commitments pending the generation of capital receipts.
- Sustaining Public Housing Welsh Quality Standards and investment in creation of new Council Housing as part of the Housing Partnering scheme.

101. Whilst additional borrowing to invest may solve a short term problem, borrowing has long term financial implications and must be deemed affordable and sustainable both now, as well as many years into the future. Set against the demand for these capital resources and the current economic climate, tough choices are required, which may include:-

- determining whether a greater share of the Council's future revenue budget will need to be set aside to meet capital investment
- securing better value and outcomes
- ensuring capital investment is not used as a short term substitute for reducing revenue budgets
- undertaking only priority strategic and long term schemes

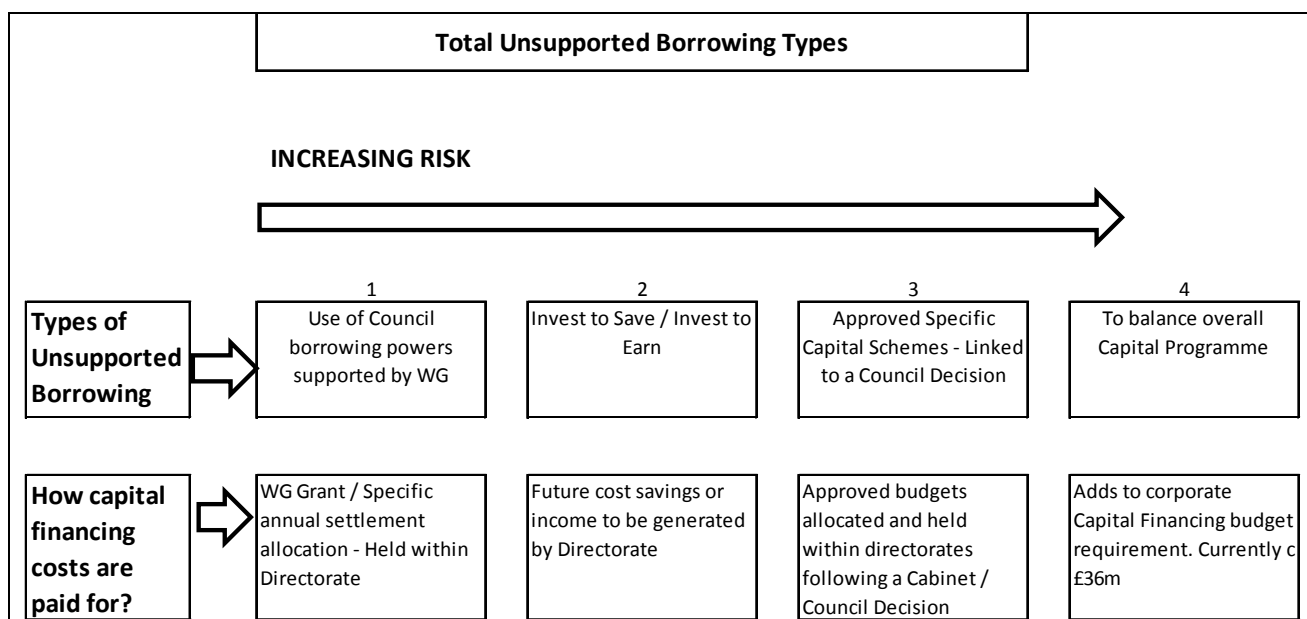
### **Borrowing for the Capital Programme**

102. Where capital expenditure has been incurred without a resource to pay for it immediately e.g. via capital receipts, grants or other contributions, this will increase what is termed the Council's Capital Financing Requirement (CFR) or its need to undertake borrowing. The Council is required to make annually from its revenue budget, a prudent provision for the repayment of historic capital expenditure and this reduces the CFR. Calculation of the CFR is summarised in the table below.

	<b>Opening Capital Financing Requirement (CFR)</b>
+	Capital expenditure incurred in year
-	Grants, contributions, reserves and receipts to pay for capital expenditure
-	Prudent Minimum Revenue Provision & Voluntary Repayment
=	<b>Closing Capital Financing Requirement (CFR)</b>

103. There are two main types of additional borrowing to pay for capital expenditure:-

- 'Supported Borrowing' - costs of servicing this debt are included within the annual Revenue Support Grant (RSG) the Council receives from Welsh Government.
- 'Unsupported Borrowing' – costs of servicing debt to be met by the Council from Council tax, savings, additional income or sale of assets. The types of unsupported borrowing typically undertaken by the Council and how capital financing costs are paid for are shown in the diagram below.



104. It is the Capital Financing Requirement that results in the need to borrow. It is important to note in this regard, that any financial deficit and liabilities of the HRA are ultimately liabilities of the Council.
105. The actual CFR as at 31 March 2016 and estimates for current and future years as set out in the budget report are shown in the following table. The timing of capital expenditure, timing of capital receipts and new schemes that may be considered for approval in future years are risks to the CFR forecast, however it can be seen that the Council's underlying need to borrow is increasing. This will eventually need to be paid for by revenue savings, revenue income or Council Tax and Housing Rents:

Capital Financing Requirement as at 31 March					
	2016 Actual £m	2017 Estimate £m	2018 Estimate £m	2019 Estimate £m	2019 Estimate £m
General Fund	432	459	454	455	455
HRA	277	279	296	302	302
<b>Overall CFR</b>	<b>709</b>	<b>738</b>	<b>750</b>	<b>757</b>	<b>757</b>

106. This additional borrowing is primarily as a result of:
- Implementing new schemes and allocations and continuing with commitments included in the budget.
  - Undertaking invest to save schemes on the assumption that the borrowing will be repaid from future revenue savings or revenue income.
  - Use of Council borrowing powers by WG as part of their contribution towards 21<sup>st</sup> Century Schools investment. Further schemes are in the



pipeline including housing development as well as the provision of interest free loans or repayable grants using Financial Flexibility funding available to them for a range of schemes. Whilst welcome where there is linkage between strategic aims of the Council, these schemes use local authority borrowing powers and present an ongoing risk in terms of increasing the Council's capital expenditure which needs to be paid back.

### Capital Programme and Financial Resilience

107. As the Council realigns itself strategically to lower funding levels it will need to consider the level of debt and potential financial resilience issues that may be a consequence of increasing borrowing. This is in order to provide flexibility to fund current priorities as well as unknown future obligations.
108. Funding cuts mean debt-servicing costs are increasing as a proportion of revenue spending, presenting a challenge to long-term investment.
109. Continuing to increase the amount it needs to borrow will have a consequential increase on the capital financing budget within the revenue account. In general terms, each £1 million of capital expenditure funded by borrowing, costs £80,000 in the initial years of the revenue budget and that is assuming an excessive asset life of 25 years. In most cases the types of schemes being undertaken by the Council mean that asset life is lower and so cost higher.
110. The impact of capital financing costs is recognised in the Council's MTFP. The budget report for 2016/17 included a local capital financing prudential indicator highlighting the increasing proportion of the Council's controllable revenue budget that it spends on capital financing over the medium term. Borrowing decisions have an impact on current as well as future rent and Council taxpayers in many years to come, so have to be affordable and sustainable now as well as in future.

Ratio of Capital Financing Costs expressed as percentage of Controllable Budget								
	2011/12 Actual %	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %	2019/20 Estimate %	2020/21 Estimate %	Difference 11/12-20/21 %
Net	13.47	15.42	15.79	15.27	15.53	17.00	16.82	24.87
Gross	15.17	19.13	19.94	20.31	20.80	22.51	22.37	47.46

111. In accordance with the principles of invest to save, the net ratio assumes that any costs of undertaking additional investment are recovered over time from directorate budgets, capital receipts or other budgets. The gross ratio indicates the gross capital financing cost as a percentage of the total base budget i.e. it represents a worst case scenario.
112. Encouragement has been given to invest to save schemes such as energy generation as well as invest to save schemes such as ADM leisure and there are other opportunities currently being considered. Whilst such schemes are important to revenue income opportunities, they carry a significant level of risk in terms of over exposure to borrowing, repayment of which may be affected by future uncertain events. Unlike the HRA, where there is a debt cap in place

from HM Treasury, the budget proposals may consider a maximum limit to exposure of borrowing for 'Discretionary' type services/ activities on such invest to save type schemes for the Council Fund.

113. Accordingly, additional borrowing is not sustainable in the long term and will need to be a factor considered by Members when determining the current and future Capital Programme along with:-

- The Prudential Indicators highlighting longer term impact of capital decisions on the revenue budget and affordability, prudence and sustainability.
- Consideration of potential initiatives not currently included in the Capital Programme.
- Control mechanisms for different types of unsupported borrowing before approval.
- Determining core areas of long term investment e.g. maximum exposure limits to unsupported borrowing for 'Discretionary' type services.
- Whether the inherent risks in a project are better managed via commercial options rather than direct Council investment.
- The key long term strategic priorities for the city for which investment to be funded by additional borrowing is to be approved.

### **Developing the Investment Plan**

114. In formulating the five-year Capital Programme for 2017/18 to 2021/22, a two stage process is to be undertaken.

Stage 1 – Review of existing annual sums and specific individual schemes which are yet to proceed including invest to save schemes included in the approved Capital programme in February 2016. This is to ensure expenditure is in line with approved policy initiatives and in accordance with an approved strategy.

Stage 2 – Consideration of new requests / pressures for additional capital funding, where funding from the Council is demonstrated to be the only solution to meeting investments need. Any such request is to be considered only if it meets the criteria below:-

- deliver statutory and core strategic long term outcomes included in the Corporate Plan
- have undergone a thorough option appraisal
- Investment needs to be made by the Council and cannot be better made by others
- are in accordance with property or other asset management plans proposed by scheme sponsors and have a robust and deliverable profile of expenditure in order to avoid slippage after the programme has been set. This also needs to take into account their ability to deliver schemes, particularly where staffing, external partners or other resources are essential in supporting scheme delivery.
- generates income from capital receipts, revenue savings or external grant

115. It needs to be recognised that the Council cannot do everything and may need to focus limited resources on key statutory and longer term strategic investment priorities.
116. There are also capital expenditure implications of major projects either being or planned to be undertaken by the Council that need to be developed as part of the longer term budget strategy process rather than on an ad hoc basis. This is so a longer term investment strategy can be developed to determine whether everything that the Council would like to do is affordable by the Council doing it itself or whether alternative means need to be considered. Examples include continuing development of Cardiff International Sports Village and Cardiff Enterprise Zone development.

### **Capital Receipts**

117. As set out by the Section 151 Officer in previous budget proposals-

*“Within this financial climate of reducing revenue resources all action necessary must be taken to reduce both initial capital expenditure and the subsequent need to borrow.”*

118. Capital receipts are important to increase the affordability of the Capital Programme. In 2016/17 the first call on capital receipts up to £2 million will be to pay for Capital programme commitments, In many cases, capital receipts are earmarked for re-investment e.g. 21<sup>st</sup> Century Schools Model, Cardiff Enterprise Zone etc. However where this is not the case it is essential to remember that Capital receipts are a Corporate Resource and help to pay for capital investment across Council Directorates.
119. The Council’s Corporate Asset Management Plan sets out how the Council intends to reduce its asset base to achieve both capital receipts to reduce borrowing and revenue savings in relation to facilities management costs including repairs and maintenance.

### **Reasons for Recommendations**

120. To seek Cabinet approval for the budget strategy in respect of 2017/18 and the MTFP.
121. To note the Budget Timetable Framework and forward this to Council for approval.

### **Legal Implications**

122. It is the responsibility of the Cabinet to receive financial forecasts and develop a medium term financial strategy with a view to proposing a Budget for the Council to approve. The report highlights the seriousness of the financial challenges ahead. As stated in the body of the report, it is important that members take note of the statements made by the Section 151 Officer in this regard.
123. There are no general legal issues arising from this report. Specific legal issues will be addressed as part of the proposed budget preparation.

124. The report provides that the proposed Budget Timetable framework for 2017/18 will make provision for consultation. It is important to note that consultation raises the legitimate expectation that any feedback received from the consultation will be taken into account in developing the proposals consulted upon.
125. In considering this matter and developing the budget proposals regard must be had to the Council's duties under the Equality Act 2010 and appropriate steps taken to ensure that (i) the Council meets the requirements of the Public Sector Equality Duties; and (ii) due regard has been/is taken of the likely impact of decisions in terms of equality and discrimination.

### **Financial Implications**

126. The report sets out the budget strategy for 2017/18 and the medium term. It is written a period of prolonged financial restraint. The March 2016 budget set out a worsening economic position to that which underpinned the November 2015 Comprehensive Spending Review (CSR) and real term cuts in public spending will continue in 2017/18 and 2018/19. The outcome of the EU Referendum on 23 June 2016, for Britain to leave the European Union has raised significant uncertainty and speculation regarding the future economic position of the UK. The economic position will need to be closely monitored in the coming months, including the potential for an Emergency UK Budget later in the year which could have implications for the Welsh Block Grant.
127. There are currently no indicative AEF figures for 2017/18. Ongoing budget reductions of the scale required to achieve a balanced position require appropriate lead in times and should be implemented in a planned and rational way. The absence of multi-year settlements is problematic from a financial planning perspective. Settlement timetables are expected to revert back to usual this year, with Provisional Settlement in October. However, an Emergency Budget later in the year could cause disruption in this respect.
128. The Council has had to identify approximately £200 million over the past ten years with further difficult times ahead. Achieving budget reductions on this scale is extremely challenging and requires organisational change, exploration of preventative measures and the adoption of more commercial approaches in untested markets. In challenging change environments, careful monitoring of financial resilience is extremely important and regular review is undertaken in this respect.
129. The financial resilience snapshot at the time of this report shows that reserves have increased from the comparatively low levels in recent years and transfers to reserves undertaken at 2015/16 outturn, address known risk areas such as the potential for waste fines and the uncertainties associated with welfare reform. The 2015/16 outturn position was favourable overall. However, it should be noted that there was an overspend of £4.635 million at directorate level which was partially offset by £4 million general contingency. Delivery of delayed savings as well as achievement of 2016/17 savings will require close monitoring and this has already commenced.
130. The 2016/17 Budget Report identified a budget reduction requirement of £24.6

million for 2017/18 and £73.2 million over the medium term. Refresh and review of the budget gap has been undertaken to reflect developments since February 2016, including the confirmation of pay awards, the 2015/16 outturn position and announcements included in the Chancellor's March 2016 budget. The updated budget reduction requirement is £24.3 million for 2017/18 and £75.3 million over the medium term.

131. The report sets out the strategy for addressing the budget reduction requirement. Collectively, a cap on schools' non-demographic growth, use of earmarked reserves and an assumed annual council tax increase account for 30% of the proposed solution. These assumptions will continue to be reviewed at frequent intervals throughout the year to ensure their ongoing achievability and acceptability. Directorate and addressable spend savings account for the remaining 70% of the proposed solution. These build upon the savings framework that emanated from the 2016/17 budget process. Further review of this framework will be required as the year progresses and in many cases, development of further detail will need to be informed by in year monitoring and progress towards achievement of 2016/17 savings proposals.
132. The report models a worst case scenario of £31.3 million for 2017/18 and £98.8 million over the medium term. The main variables that contribute to this potential worsening are the potential for pay awards of higher than 1% and the risk that funding settlement may be worse than a reduction of 1% per annum as reflected in the base case MTFP. The Chancellor has indicated that he would provide for pay awards of 1% to 2020. Whilst this cannot pre-empt the bargaining process of respective bodies, pay awards of more than 1% could be considered unlikely given these comments and whilst inflation remains extremely low.
133. With regards funding, WLGA modelling undertaken earlier in the year suggested variable positions for Local Government. These ranged from moderate increases to decrease of -2% to -2.5% dependent on whether WG might opt for weak, medium or strong protection for other parts of the Welsh Public Sector. The Council has established a financial resilience mechanism to help manage funding uncertainty. This is a budget used for one-off investment that is available for immediate release in the event that settlements are worse than modelled in the MTFP. This offers assurance that, all else being equal, the Council could withstand a funding reduction of up to 2% without needing to identify additional savings in the short term.
134. The report sets out that the position in respect of capital is also challenging. Welsh Government support has fallen by 35% since 2010/11 and there are significant pressures on the capital programme, including maintaining highways, meeting mandatory services and addressing corporate priorities. Given that WG support is reducing, additional investment can only be funded through additional borrowing or through the disposal of assets. It is important to note that additional borrowing has affordability implications for revenue. As revenue budgets reduce and capital financing costs increase, interest costs and debt payments account for an increasing proportion of the revenue budget as illustrated in the following table.

<b>Ratio of Capital Financing Costs expressed as percentage of Controllable Budget</b>
--

	2011/12 Actual %	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %	2019/20 Estimate %	2020/21 Estimate %	Difference 11/12-20/21 %
Net	13.47	15.42	15.79	15.27	15.53	17.00	16.82	24.87
Gross	15.17	19.13	19.94	20.31	20.80	22.51	22.37	47.46

135. The requirement to meet increasing costs associated with debt can only be met from future savings of from Council tax increases. This clearly limits the scope for further additional borrowing in future years and reduces the Council's overall flexibility when making decisions on the allocation of its revenue resources. Additional borrowing is not sustainable in the long term and consideration must be given to prudential indicators, control mechanisms for different types of unsupported borrowing and core areas of investment.

### **HR Implications**

136. The report outlines the continuing and sustained financial restraints that the Council is under including the Government's spending policy assumptions which suggest a sharp acceleration in pace of implied real cuts to day to day spending on public services. The Council's OD Programme remains the driver for reviewing the shape and scope of the organisation and the way in which services are delivered and efficiencies achieved. New service delivery models will need to meet demand pressures and reflect budgetary realities alongside securing further efficiency savings through better collaboration, integration of service delivery and reducing duplication of effort and resources.

137. In addition to previous savings drivers of policy led savings, business process led corporate efficiency savings and discrete directorate led savings, a further driver of income/commercialisation savings has been introduced (i.e. increase discretionary income and exploit new opportunities to sell or trade services).

138. Given the unprecedented level of savings required in 2017/18 and beyond, it will be key that the savings proposals identified are robust and deliverable. The extent of financial challenge in a continued period of restraint will result in savings targets for controllable budgets which will be considerably challenging and will result in significant changes to how local government services are delivered. The ability of the OD Programme to support the Council through this period of radical and sustained change will be key.

139. Whilst it is not possible to provide specific HR implications on future alternative service delivery models (as this will depend on the operating models adopted by the Council), the ongoing budget difficulties will continue to have significant people implications associated with actions necessary to manage the financial pressures facing the Council. As service delivery proposals are developed, there will need to be consultation with employees (those directly and indirectly impacted) and the Trade Unions so that they are fully aware of the proposals, have the opportunity to respond to them and understand the impact that the new model of service will have on them. Further and specific HR implications will be provided when relevant models are proposed. Any proposed reductions in resource levels will be managed in accordance with the Council's recognised policies for restructuring which include, where appropriate, redeployment and voluntary redundancy.

140. The Council's Voluntary Redundancy Scheme, has been widely publicised to

employees. Whilst those interested in leaving on this basis (with a post subsequently deleted), should express an interest to do so, a business case to support the exit will still need to be made and signed off. Flexible retirement continues to be another option available and a Sabbatical policy is in place as well as ability to request voluntary reductions in working hours. Redeployment, access to Cardiff Academy courses and access to the Trade Union Learning Representatives to support members and non members with training and development to support new skill requirements will remain available. Additionally the purchase of Additional Annual Leave Policy remains in place and has provided the opportunity for employees (excluding those based in Schools) to buy up to an additional 10 days annual leave.

141. The Joint Partnership Board will continue to meet fortnightly to facilitate early discussion with Trade Unions on key organisational proposals, with more detailed discussion continuing with employees and trade unions at local directorate level. It is essential that there continues to be appropriate consultation on proposals which are taken forward by the Cabinet. Many of these will have people implications which will need to be considered at an early stage in consultation with the Trade Unions and employees impacted.

## **CABINET CONSIDERATION**

The Cabinet considered this report on 14 July and agreed

- (1) the framework for the savings targets on which this Budget Strategy report is based including the use of a targeted approach to meeting the Budget Reduction Requirement both in 2017/18 and across the period of the Medium Term Financial Plan.
- (2) that directorates work with the relevant Portfolio Cabinet Member, in consultation with the Corporate Resources Director and Cabinet Member for Resources and Performance Management to identify potential savings to assist in addressing the indicative budget gap of £24.328 million for 2017/18 and £75.297 million across the period of the Medium Term Financial Plan.
- (3) that relevant bodies who raise precepts and levies on the Council be formally contacted to request that funding reductions are also fed into these settlements which should be in line with those it is expected that Welsh Government will impose in respect of local authority funding.
- (4) Authority be delegated to the Corporate Resources Director in consultation with the Cabinet Member for Corporate Services and Performance the authority to identify an alternative budget gap requirement upon further clarification being provided by the Welsh Government in respect of funding.
- (5) Authority be delegate to the Corporate Resources Director in consultation with the Cabinet Member for Corporate Services and Performance the authority to amend the Budget Strategy, once the budget savings proposals have been reviewed, if this amendment does not significantly depart from the underlying principles. Any requirement to significantly depart from these principles would require a further Budget Strategy Report to Cabinet.
- (6) that the Council seeks expressions of interest from officers in respect of the

voluntary redundancy scheme

- (7) that there will be a two stage process in relation to consultation on 2017/18 proposals. This will commence with the Ask Cardiff Survey including a section on general budget themes followed by more detailed consultation on 2017/18 proposals later in the Autumn, once there is further clarity on the 2017/18 funding position.

## **CABINET PROPOSAL**

Council is recommended to agree that the Budget Timetable Framework set out in Appendix 2 be adopted and that the work outlined is progressed with a view to informing budget preparation.

## **THE CABINET**

14 July 2016

*The following appendices are attached;*

Appendix 1 – Budget Strategy Frequently Asked Questions

Appendix 2 - Proposed Budget Timetable Framework 2017/18

Appendix 3 – Finance Snapshot – Financial Resilience

*The following background paper has been taken into account:*

2016/17 Budget Report – February 2016



## Budget Strategy Report 2017/18 – Questions and Answers

### What is this about?

- Each July, the Council sets its Budget Strategy for the following year and medium term.
- This is a brief summary of the Council’s July 2016 Budget Strategy Report which covers 2017/18 – 2019/20. You can view the full report online.

### Is the Council still facing challenging times?

- Yes, things are still extremely challenging.
- The Council is facing significant cost pressures over the next few years
- We believe that funding will continue to reduce – we won’t know by exactly how much until Welsh Government confirm in October
- Costs are increasing and funding is falling creating a “budget gap”
- This gap is how much the Council expects to have to find to balance the books

### How much is the Budget Gap?

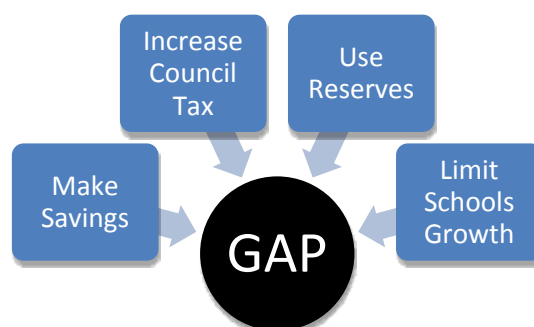
- The budget gap is estimated to be £24 million in 2017/18
- The budget gap is estimated to be £75 million between 2017/18 and 2019/20.

2017/18 £m	2018/19 £m	2019/20 £m	Total £m
24	24	27	75

- The gap is less than in recent years but £75 million is still a very large sum
- We also need to remember that the Council has already had to find circa £200 million over ten years so each year it gets harder to bridge the gap.

### What can the Council do to plug the Gap?

- The main things the Council can do to plug the gap are shown in the diagram below.



- Setting a Budget Strategy involves finding a combination of these that is realistic, protects the Council’s financial interests and recognises the Council’s service priorities.

### How did you develop a strategy?

- When the Council prepared the 2016/17 Budget Strategy this time last year, it recognised that there were significant challenges still to come.
- The Council considered how it could reshape itself and its budget to meet these challenges to be as prepared as possible
- A framework was developed for a medium term budget strategy and this was set out in the 2016/17 Budget Report last February.
- The 2017/18 Budget Strategy has built on the existing framework and directorates have started to test and update it, putting down further detail now that we are one year further forward.

### What is the Budget Strategy?

- The Council's budget strategy is:-

	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
<b>Budget Strategy</b>				
Limit Schools Growth - @ 30%	1,253	1,163	1,583	<b>3,999</b>
Council tax at 3.7%	4,451	4,616	4,786	<b>13,853</b>
Use of Earmarked Reserves	1,500	1,500	1,500	<b>4,500</b>
Savings	17,977	15,552	19,416	<b>52,945</b>
<b>Total Strategy</b>	<b>25,181</b>	<b>22,831</b>	<b>27,285</b>	<b>75,297</b>

Need to be cautious

Schools will still receive £19.7m extra

To be kept under review

- We believe that schools will require an additional £23.7 million over 3 years. The budget strategy is based on them receiving all the funding they need as a result of increasing pupil numbers (£10.4m) but extra pressures in relation to pay and prices (£13.3m) will be limited by 30%. Schools budgets are **not** being cut, but schools **are** being asked to find a part of their additional costs
- Council tax is set at the level of the 2015/16 increase. This will be kept under review throughout the year
- The strategy assumes some use of earmarked reserves but not too much. Using reserves to fund the budget is not a long term solution; similar to using a savings account to buy groceries, once they dry up you have a problem.
- The savings are a combination of directorate savings and corporate or "addressable spend" savings. Further detail is shown below.

**What does this mean for services next year?**

The savings themes included within the budget strategy for 2017/18 are:-

	<b>Total £000</b>
Income Generation	2,807
Working with Partners & Others	1,836
Use of Technology	710
Review of Subsidies and Grants	852
Internally Facing Proposals	8,974
Second/Third year of Proposals	2,798
<b>TOTAL</b>	<b>17,977</b>

Wherever possible, savings themes reflect the Council's goals to become more commercially-focused, to make better use of technology and to work more closely with others. Effort will be made to reduce external costs and to look for solutions that minimise the impact on front line services. That said, difficult decisions will be required over the medium term and savings will be challenging to achieve.

**How can I have my say?**

- The Council is keen to be open and honest about the difficult choices it faces
- Over the summer you can have your say by responding to a number of budget themed questions that will be included in the "Ask Cardiff" survey. You will find close links to the savings themes shown above.
- This will pave the way for more detailed consultation in the autumn, once we have a better picture of the Welsh Government funding we will receive next year.

**What about Brexit?**

- The short answer is that it is too soon to say but will require close monitoring.
- The economy will be uncertain and potentially volatile in the aftermath of Brexit. We will need to keep a close eye on developments including the potential for an Emergency UK Budget
- An emergency budget could have knock on consequences for Welsh Government and Welsh Local Government both in terms of level of funding and how soon it is confirmed

**What if funding reductions are worse than you've planned?**

- We have no firm funding figures for 2017/18 and that is a key risk.
- We have assumed that funding will reduce by 1% and this is reflected in our budget gap.
- We know we could withstand a further 1% reduction by using a budget that would otherwise be used for one-off investment. This was created in 2016/17 to protect the Council from future funding uncertainties.

**What Next?**

- We will continue to keep the budget gap under review – things change quickly and regular review is an importance part of being prepared
- General consultation during the summer will pave the way for detailed consultation in the autumn
- Over the summer further review of 2017/18 savings themes will take place with development of more detailed individual proposals. Focus will also shift to updating the savings framework for 2018/19 moving to review of 2019/20 over the autumn.

Mae'r dudalen hon yn wag yn fwriadol

### PROPOSED BUDGET TIMETABLE FRAMEWORK 2017/18

Date	Budget Strategy
July 2016	Budget Strategy Report considered
July-September 2016	Directorates continue to develop budget proposals
October 2016	Provisional Budget Settlement received
October/November 2016	Consultation on draft budget savings proposals
December 2016	Cabinet approval of Council Tax Base
December 2016	Final Budget Settlement received
January 2017	Fine-tuning of budget proposals and consideration of medium term financial plans
February 2017	Approval of Corporate Plan and Budget

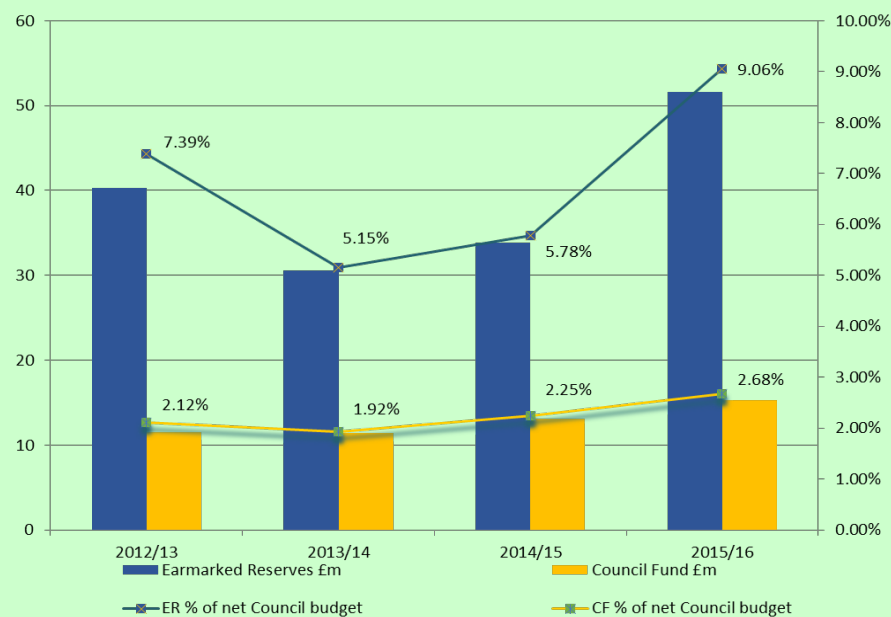
In addition, throughout this period there will be continued involvement and consultation with Council Tax Payers, the grants sector, the Budget Forum, Scrutiny Committees, Trade Unions employees and statutory consultation with schools

Mae'r dudalen hon yn wag yn fwriadol

**FINANCIAL SNAPSHOT REPORT - BUDGET STRATEGY VERSION - JULY 2016**

The following tables, charts and figures give an indication of the financial resilience of the Council as per the Statement of Accounts.

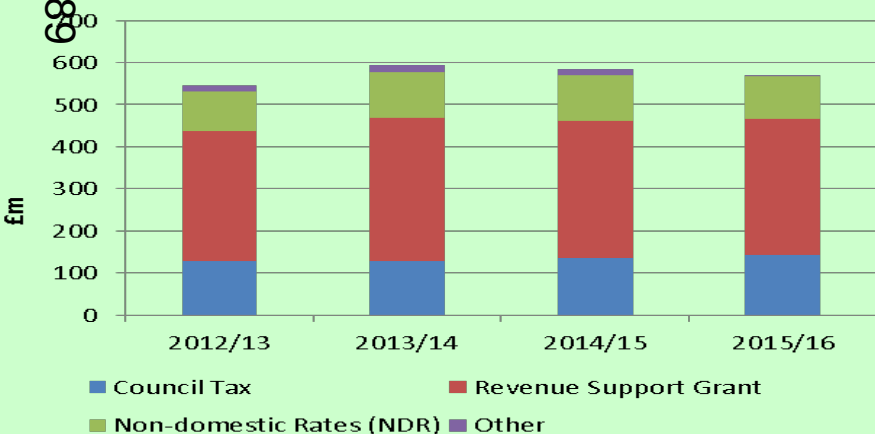
**Level of Council Fund (CF) and Earmarked Reserves (ER)**



**Levels of Reserves**

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Earmarked Reserves	40,319	30,559	33,824	51,637
Council Fund Balance	11,548	11,413	13,154	15,255

**Budgeted Revenue Funding Split**



**Other Financial Ratios**

Ratio	2012/13	2013/14	2014/15	2015/16
Working Capital to Gross Revenue Expenditure (%)	8.34%	5.18%	5.13%	6.00%
Usable Reserves to Gross Revenue Expenditure (%)	7.46%	6.43%	7.16%	10.07%
Earmarked Reserves to Gross Revenue Expenditure (%)	5.25%	3.85%	4.28%	6.48%
Unallocated/General Reserves to Gross Revenue Expenditure (days)	5	5	6	7
Long-term Borrowing to Long-term Assets (ratio)	0.22	0.25	0.24	0.35
Long-term Borrowing to Taxation & Non-Specific Grants (ratio)	0.75	0.69	0.72	1.05
Council Tax Due 15/16 to Taxation & Non-Specific Grants (%)	25.58%	23.32%	25.64%	27.68%

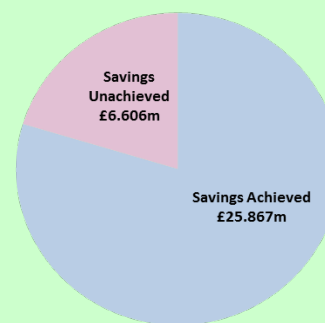
**Appendix 3**

The figures below show the outturn position for the 2015/16 financial year for both revenue and capital.

**Revenue Outturn Position**

Directorate	Net Expenditure Budget £000	Final Outturn £000	Variance £000	Variance %
City Operations	49,905	49,902	(3)	0.0%
Communities, Housing & CS	46,255	46,089	(166)	-0.4%
Corporate Management	29,355	29,727	372	1.3%
Economic Development	2,327	2,119	(208)	-8.9%
Education & LL	234,606	234,480	(126)	-0.1%
Governance & Legal Services	4,415	4,411	(4)	-0.1%
Resources	15,852	15,600	(252)	-1.6%
Social Services	137,603	142,625	5,022	3.6%
<b>Total Directorates</b>	<b>520,318</b>	<b>524,953</b>	<b>4,635</b>	<b>0.89%</b>
Capital Financing	35,845	35,845	0	0.0%
Discretionary Rate Relief	300	291	(9)	-3.0%
General Contingency	4,000	0	(4,000)	-100.0%
Summary Revenue Account etc.	9,756	9,725	(31)	-0.3%
<b>Total Net Expenditure</b>	<b>570,219</b>	<b>570,814</b>	<b>595</b>	<b>0.10%</b>
Funded by:				
Revenue Support Grant	322,851	322,851	0	0.0%
Non-domestic Rates (NDR)	101,253	101,253	0	0.0%
Reserves and Balances	1,000	1,000	0	0.0%
Council Tax	142,633	144,062	(1,429)	-1.0%
Other	2,482	3,344	(862)	-34.7%
<b>Total Funding</b>	<b>570,219</b>	<b>572,510</b>	<b>(2,291)</b>	<b>0</b>
<b>Net (surplus)/deficit for year</b>			<b>(1,696)</b>	

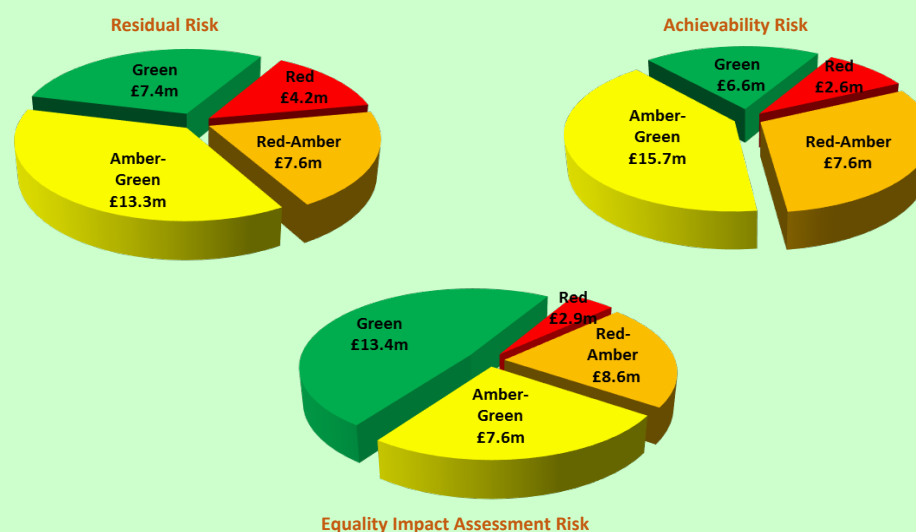
**Revenue Savings Achieved and Unachieved**



**Capital Outturn Position**

Directorate	Budget £000	Projected Outturn £000	Variance £000	Variance %	(Under)/Overspend £000	Slippage £000
City Operations	38,433	27,312	(11,121)	-28.9%	311	(11,442)
Communities, Housing & CS	15,273	14,373	(900)	-5.9%	102	(1,002)
Economic Development	14,168	12,842	(1,326)	-9.4%	0	(1,326)
Education & LL	43,272	22,685	(20,587)	-47.6%	(1,824)	(18,763)
Governance & Legal Services	335	335	0	0.0%	0	0
Resources	6,402	4,781	(1,621)	-25.3%	(523)	(1,098)
Social Services	21	21	0	0.0%	0	0
<b>Total</b>	<b>117,904</b>	<b>82,349</b>	<b>(35,555)</b>	<b>(30.16%)</b>	<b>(1,934)</b>	<b>(33,631)</b>

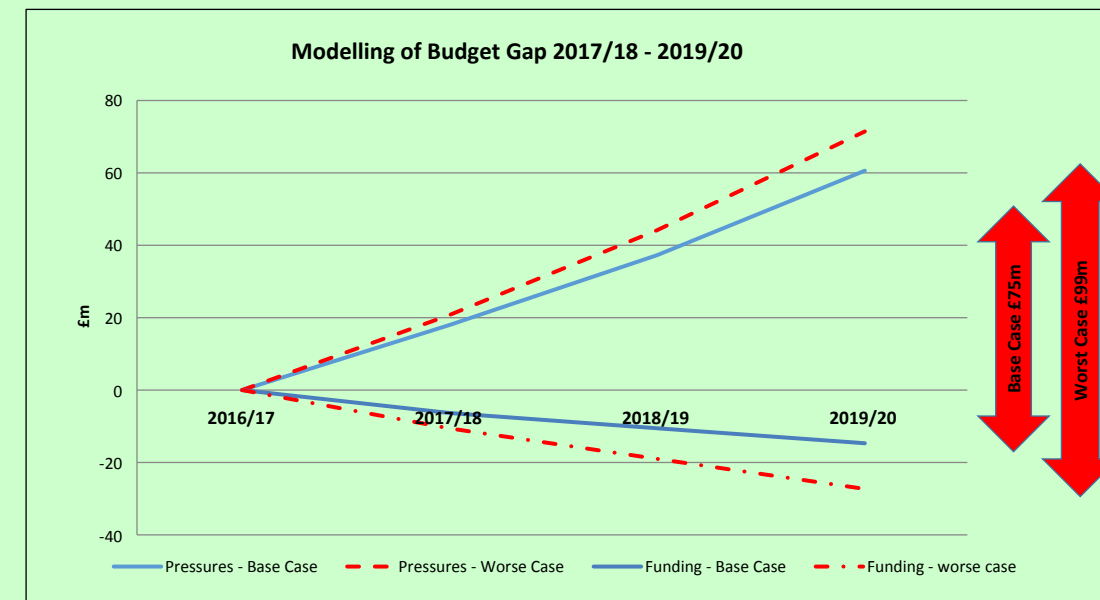
**Final Budget Proposals 2016/17 Risk Analysis - TOTAL SAVINGS £28.8m**



The tables below show the Medium Term Financial Plan (MTFP), the risks and affordability indicators facing the Council.

**MTFP Scenario**

	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Financial Pressures	17,995	19,296	23317	60,608
Funding Reductions	6,333	4,220	4136	14,689
<b>Budget Requirement Reduction</b>	<b>24,328</b>	<b>23,516</b>	<b>27453</b>	<b>75,297</b>
Budget Strategy Assumptions	7,204	7,279	7869	22,352
Total Savings	17,977	15,552	19416	52,945
<b>Total Strategy</b>	<b>25,181</b>	<b>22,831</b>	<b>27285</b>	<b>75,297</b>
Difference to Requirement	(853)	685	168	0



**Capital Expenditure & Capital Financing Requirement (CFR)**

	31 Mar 16 £000	31 Mar 17 £000	31 Mar 18 £000	31 Mar 19 £000
<b>Capital Expenditure</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Council Fund (GF)	82,349	88,924	113,787	48,580
Housing Revenue Account	289,216	25,405	28,250	27,350
<b>Total Capital Expenditure</b>	<b>371,565</b>	<b>114,329</b>	<b>142,037</b>	<b>75,930</b>
<b>Capital Financing Requirement</b>				
Council Fund CFR inc Landfill	463,638	482,438	476,404	476,421
Housing Revenue Account CFR	276,837	278,799	296,138	301,779
<b>Total CFR</b>	<b>740,475</b>	<b>761,237</b>	<b>772,542</b>	<b>778,200</b>

**Affordability Indicator - Capital Financing Costs as a % of Controllable Budget**

	2011/12	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Difference 11/12-20/21
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	%	%	%	%	%	%	%	%
Net	13.47	15.42	15.79	15.27	15.53	17.00	16.82	24.87
Gross	15.17	19.13	19.94	20.31	20.80	22.51	22.37	47.46

Mae'r dudalen hon yn wag yn fwiadol



**s c r u t i n y**



---

**A Report of:  
Children & Young People Scrutiny  
Committee**

**Annual Report 2015 – 2016**

**May 2016**



**The City and County of Cardiff Council**

## CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE MEMBERSHIP



Councillor Richard Cook  
(Chairperson)



Councillor Paul Chaundy



Councillor Derrick Morgan



Councillor Iona Gordon



Councillor Dianne Rees



Councillor Jim Murphy



Councillor Jo Boyle



Councillor Heather Joyce



Councillor Lynda Thorne

### Co-opted Members:



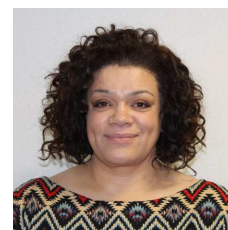
**Mrs Patricia Arlotte**  
Roman Catholic  
Representative



**Carol Cobert**  
Church in Wales  
Representative



**Vacant**  
Parent Governor  
Representative



**Mrs Hayley Smith**  
Parent Governor  
Representative

Ms Catrin Lewis (Parent Governor Representative) resigned in February 2016

## CHAIR'S FOREWORD

I'm pleased to present the Committee's Annual Report for 2015/16. Firstly I'd like to thank the members of the committee, especially the co-opted members, for their hard work and knowledge of the issues which have made my job much easier. I'd also like to thank Scrutiny officers for their usual professional support and all witnesses who have spoken to the committee, especially those who have given up their free time to share with us their expertise in Task and Finish inquiries.

This year the committee continued to address the concerns of Estyn in their monitoring visit of February 2014, and were pleased with the comments of Estyn in their letter after the third and final monitoring visit in January 2016:

"The children and young people scrutiny committee is increasingly effective. The committee has agreed a framework to provide its members with structured development and training opportunities. This training has helped scrutiny members to improve their understanding of the issues relating to the achievement and attainment of children and young people, and how to interpret the data sets used by education officers and schools to track outcomes.

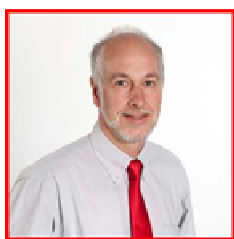
The committee has put in place a number of actions to better manage its range of duties and the size of its agenda. These include a programme of pre-meetings and briefings, as well as monitoring panels which look specifically at budget and performance reports. These pre-meetings and panels enable the members to identify clear lines of inquiry for follow-up at committee meetings. These changes have helped the scrutiny committee become more focused.

The Care & Social Services Inspectorate for Wales (CSSIW) also inspected Children's Services in January 2016 and commented of the committee:

"Scrutiny arrangements had been strengthened."

Apart from the monthly meetings, we have carried out a Task and Finish inquiry into Child Sexual Exploitation and continued our inquiry into schools that are not performing as well as they could do, visiting three schools. The committee continues to challenge both the Central South Consortium Joint Education Service and the Education department in order to support schools and improve educational standards which are still not as high as they should be.

The Children & Young Peoples scrutiny committee is responsible for scrutinising departments whose expenditure is approximately 53% of the Council's net budget of £520M, given the scale of that task it may perhaps be time to review the areas of scrutiny that the five scrutiny committees are responsible for.



**Councillor Richard Cook**

**Chairperson of the Children & Young People Scrutiny Committee**

**June 2016**

## INTRODUCTION

The Children and Young People Scrutiny Committee plays an important role in assessing service performance and informing service and policy development across a range of Council services, including all aspects of Education, Social Care for Children, Children's Play and the Youth Service.

This report presents the Committee's main activities during 2015-16 and uses where ever possible the National Welsh Characteristics of Good Scrutiny to ensure that there are:

- Better outcomes - Democratic accountability drives improvement in public service.
- Better decisions - Democratic decision making is accountable, inclusive and robust.
- Better engagement – The public is engaged in democratic debate about current and future delivery of public services.

Between May 2015 and April 2016 the Committee Members have undertaken training in performance information and budgeting, and visited front line services. The Committee has scrutinised a wide range of topics contributing to the development and improvement of services for children and young people, a list of which is set out below under the following headings:

- **Inquiries** – Where the Committee has undertaken an examination of a topic over a period of time, resulting in a formal report to the Cabinet. The Committee has also undertaken a number of short one day investigations.
- **Policy Development** – Where the Committee has contributed to the Council's policy development processes by considering draft policy documents.
- **Pre-decision** - Where the Committee has evaluated and commented on policy proposals before they go to the Cabinet, giving the Cabinet the opportunity to know Scrutiny Members' views prior to making their decision.

- **Monitoring** - Where the Committee has undertaken monitoring of the Council's performance and progress in implementing actions previously agreed. The Committee has also set up two Monitoring Panels, one for Budget monitoring and the other for Performance monitoring
- **Call-In** - Where a Member has invoked the Call-in procedure under the Council's constitution, to review a Cabinet decision prior to its implementation.

### **Inquiries**

- ❖ The Effectiveness of School Governors
- ❖ Child Sexual Exploitation
- ❖ Schools Causing Concern
- ❖ Procurement of external fostering service
- ❖ Cost of accommodating Looked After Children

### **Committee Panels**

- ❖ Budget Monitoring
- ❖ Performance Monitoring

### **Policy Development**

- ❖ Regional Adoption Services
- ❖ Social Services and Well-being (Wales) Act
- ❖ Youth Guarantee
- ❖ Prevent Strategy
- ❖ Long-term Plan for Education (Cardiff 2020)
- ❖ Scrutiny of Central South Education Consortium

### **Pre-decision Scrutiny**

- ❖ 2015-16 Budget Proposals
- ❖ Corporate Parenting Strategy
- ❖ Play Strategy
- ❖ Child Sexual Exploitation Strategy

## **Performance Monitoring**

- ❖ ESTYN Inspection monitoring
- ❖ Children's Services – Quarterly Performance Monitoring
- ❖ Education and Lifelong Learning – Schools Annual Report 2014/15 and quarterly performance reports
- ❖ CSSIW Evaluation on Social Care in Cardiff in 2013/14 (Jointly held with Community and Adult Services Scrutiny Committee)
- ❖ Central South Education Consortium – Annual Performance Report
- ❖ Integrated Family Support
- ❖ Corporate Parenting Annual Report
- ❖ Families First Annual Report

## **Member Briefings**

- ❖ Social Services Managed Team
- ❖ School Organisation Planning Proposals
- ❖ Pool of Social Workers

## **Call-in**

- ❖ Welsh Medium Schools Catchment Areas

## **Inspection Reports**

- ❖ CSSIW – Inspection Report on Children's Services
- ❖ Estyn – Monitoring Visit Letter
- ❖ WAO – Corporate Assessment

The Children and Young People Scrutiny Committee has held 12 full Committee meetings, and two joint meeting with Community and Adult Services Scrutiny Committee since May 2015. As a result of the consideration of over 41 reports covering policy development, pre-decision scrutiny, monitoring progress and service area performance, the Scrutiny Committee Chairperson sent 32 letters to the Cabinet and officers, which included requests for additional information, comments, and observations on items considered at the Committee Meetings.

Also as a result of these meetings the Committee agreed to write to the relevant Cabinet Member identifying 13 recommendations for the Cabinet and officers to consider. The Committee received timely responses from the Cabinet to all letters that requested a response. In addition officers have provided information where requested and agreed to amend future reports in response to the Committee's requests. Members of the Committee have also participated in a cross cutting Task and Finish Group inquiry along with Members from other Scrutiny Committees, namely a joint inquiry into the Community Infrastructure Levy.



## PUBLIC QUESTIONS TO SCRUTINY – BETTER ENGAGEMENT

The Council’s five scrutiny committees regularly invite citizens and representatives of community and third sector organisations to provide evidence at committee meetings and Task & Finish inquiries. During 2015/16 the committee has received advice, comments and concerns from numerous people who have either been invited or requested attendance at Committee.

During the summer of 2015 the scrutiny chairs introduced arrangements for public questions from the City’s Third Sector Council (C3SC) around issues of interest to the C3SC. On this occasion C3SC did not identify any issues within the terms of reference of this Committee, but the Committee remains willing to receive questions from third sector bodies and citizens.

The Committee is committed to ensuring that citizens are involved in Governance and that the “voice” of local people and communities are heard as part of decision making and policy development. To this end the Committee has encouraged the participation of the public at numerous meetings, with representatives from the following external organisation participating in the Committee work:

Barnardos’	YMCA (SHOT)
Action for Children	South Wales Police
Grangetown Play Centre	C&V Health Board
Chair C&V LSCB	Probation Services
Safer Wales / Streetlife	Ely Play Centre
NSPCC	Youth Offending Service
Head Teachers	School Governors
Sexual Assault Resource Centre	Welsh Government
Public Health Wales	

## Inspection and Assessment of the Committee's work – Better Decisions

The work of this Committee has been assessed by her Majesty's Inspectorate for Education and Training in Wales (Estyn), the Care and Social Services Inspectorate Wales (CSSIW) and the Wales Audit Office (WAO) Corporate Assessment, during the last 12 months. The assessments have been undertaken through attendance as observers at Committee meetings, review of reports, minutes and letters, together with interviews with Councillor Richard Cook, the Committee Chairman and Officers.

The aim of each of the assessments was to review and acknowledge the Committee's key role in holding the Executive to account, aiding in the pre-decision scrutiny of policy development helping challenge and monitor the performance of services provided for Children and Young People in Cardiff.

During the past year all three Inspectorates have provided reports on Cardiff Council, which included an assessment of the work of Scrutiny.

**WAO - Governance** – *“The Council's scrutiny function is improving. Actions from scrutiny meetings are issued to relevant Cabinet Members by the Scrutiny Committee Chair, and our review found that Cabinet Members respond promptly”.*

**Estyn – Improve the Scrutiny of local authority education services and partnership working** – *“The authority has made satisfactory progress in addressing this recommendation.*

*The authority has responded well to this recommendation in a timely and appropriate manner. The Council has made changes to the scrutiny committee structure and responsibilities. There are now five scrutiny committees, and each is responsible for the scrutiny of partnership work and its impact, in its respective work programme. The children and young people scrutiny committee's work programme appropriately includes arrangements for the scrutiny of all education*

*services for children and young people. This includes services delivered through community settings and through schools.*

*The Children and Young People Scrutiny Committee is increasingly effective. The Committee has agreed a framework to provide its members with structured development and training opportunities. This training has helped scrutiny members to improve their understanding of the issues relating to the achievements and attainment of Children and Young People, and how to interpret the data sets used by education officers and schools to track outcomes. The Committee has put in place a number of actions to better manage its range of duties and the size of its agenda. These include a programme of pre-meetings and briefings, as well as monitoring panels enabling members to identify clear lines of inquiry for follow-up at committee meetings. These changes have helped the scrutiny committee become more focused.*

*The Committee also makes good use of task and finish groups to follow up identified areas in greater detail and to produce reports for the wider scrutiny Committee. The task and finish groups are working well. Their findings have, for example, led to improvements in the way the local authority appoints its school governors and matches governors' skill sets to the needs of a governing body. Following each scrutiny meeting, the chair writes to the cabinet member setting out findings and recommendations from the meeting, and these are generally clear and challenging. For example, following the task and finish group, which met with head teachers from schools categorised as red, the chair of scrutiny's letter included challenges and recommendations to the education department and the regional consortium. However, the letter does not include any challenges or recommendations to the schools they scrutinised".*

**CSSIW – Theme 1 - Providing Direction** – *“Scrutiny arrangements had been strengthened. Considerable investment in promoting improvement in Children’s Services using expert advice to support better practice and strengthen scrutiny arrangements”.*

## Committee Member Development – Better Decisions

Scrutiny is a Member-led function whose success is closely linked to the capacity and capabilities of the Members who sit on Scrutiny Committees. The Scrutiny Team therefore worked closely with colleagues across the Council to provide a continuous range of opportunities for Members to build or refresh their Scrutiny skills, and to extend their knowledge and insight into a range of issues relevant to their Scrutiny role.

The Committee undertook a four-module programme of school performance and analysis training to further support the Council in improving the educational outcomes for its pupils. These outlined the various levels of accountability and performance reporting that underpins schools performance, with input from Scrutiny officers, corporate performance officers, managers from South Central Wales Consortium and the Council's Education Service. The Committee also holds Committee pre-meetings to discuss, analyse and understand the issues being considered, and where necessary asks for further clarification of information. From this, the Members established a number of lines of inquiry for the meeting.

Members of the Committee participated actively in briefings provided in the lead up to the Budget scrutiny meeting in February. The Members also agreed to set up a Budget Monitoring Panel and a Performance Monitoring Panel. These were developed to better focus the work of the Members on monitoring Directorate performance, and to reduce the number of items considered at Committee meetings. Members received briefings and guidance on various aspects of expenditure and performance.

## **Highlights from the Committee's work during 2015/16**

This section of the Annual Report presents highlights of the Committee's activities during 2015-16. The report identifies what the scrutiny committee was trying to achieve in each piece of scrutiny, and what it actually achieved.

### **Task & Finish Group Inquiries – Better outcomes**

A key part of the Committee's work is identification and investigate of a key area of concern, to enable better outcomes for public services and drive improvement in service provision. These are often areas which are not being actively worked on by a Directorate, or which are cross cutting in nature, involving several Directorate and partner organisations. The outputs from these investigations are reported back to the Cabinet Member for consideration, and – where appropriate – the implementation of the Committee's recommendations.

### **The Appointment and Effectiveness of Local Authority School Governors**

The Committee agreed to undertake a phased inquiry into Local Authority School Governors (LASG). The first phase of the inquiry was held in 2014 /15 to gain an understanding of the role of school governors; assess the level of local authority governor vacancies across Cardiff's schools. The key issue that the Members anticipated achieving was identify ways in which the skill base of local authority governors could be improved, the process by which local authority governors are appointed be improved and the number of local authority governors vacancies reduced.

The Members received and reviewed evidence from key professionals and supporting organisations and agreed a report. The Members recommended that the Council delegate its powers of LEA Governor Appointment to a cross party Member Panel. The Director of Education, Monitoring Officer and a representative

from the Cardiff Governors Association would act as advisors to the Panel, the Panel also should ensure that appointees had the appropriate skills for the Governing Body.

***The Cabinet Member subsequently confirmed support for these proposals and recommended to amend the Constitution at the council meeting on 29 January 2015 and was implemented at the beginning of 2015/16. The Committee was pleased to see that its recommendations were fully implemented.***

The second phase of the inquiry was held during June and July 2015. The expected result from this phase was the identification of key issues to improve the effectiveness of Governing Bodies. The Members received background information in respect of the support and training of school Governing Bodies, as well as the findings of a survey of 599 Governors.

The Task & Finish group and the Committee agreed ten specific recommendations for the Cabinet to consider, which covered: the Effectiveness of the Governing Body, the Support for School Governing Bodies; and the Training of Governors, which if all implemented would over time improve the effectiveness of Cardiff Schools' Governing Bodies.

The Cabinet Member responded to the inquiries recommendations in a detailed letter dated October 2015.

***In the letter the Cabinet Member agreed to all the recommendations except for "That the Cabinet explores whether there would be benefits from the Governors Support Services being transferred fully to the Central South Consortium". The Committee was pleased to learn that the Inquiry's recommendations were also reviewed during the recent Estyn Inspection, which commented: "the task and finish groups are working well. Their findings have, for example, led to improvements in the way the local authority appoints its school governors and matches governors' skill sets to the needs of a governing body".***

## Schools Causing Concern

---

Children & Young People Scrutiny Committee was concerned at the number of schools classified by Estyn as “causing concern”. The Members agreed to review the improvement action for a number of schools together with the support and advice provided by the Council and Consortium. Following the completion of these meetings and visits the Members identified a number of issues which they captured in a report approved by Committee in November 2015. The report included 14 recommendations for the Cabinet Member and Consortium to consider. These covered the school improvement process; Governing Bodies and Governors’ involvement in school improvement; and school support categorisation.

***The Committee was pleased to receive the Cabinet Member’s answer to the inquiry’s findings and recommendations in January 2016. She provided a full response to the issues raised in the first phase of the inquiry, and explained the work which was now being undertaken to improve the services and support for these specific schools.***

The Members agreed to refocus the second phase of the inquiry to visit schools which had experienced unexpected recent dips in pupil performance. The Members were particularly interested to find out what had cause the dip in performance, what actions had been put in place and what support and advice the schools had received. The Members have already visited a number of schools, but this inquiry is still ongoing. It plans to report back to Committee in the summer.

## Child Sexual Exploitation (CSE)

---

The Committee agreed to undertake a Task & Finish Inquiry into Child Sexual Exploitation in Cardiff, as concerns had been raised during last year’s inquiry into Trafficking. The Director of Social Services also highlighted it as an issue of concern. The Members organised the inquiry to assess the robustness of the CSE strategy, the preventative measures in place and the level of the Council’s and partner organisations response to incidents of CSE. It agreed to explore

partnership working and resource allocation associated with managing CSE in Cardiff. Members were also interested in assessing the scale of CSE in some communities.

On 7 January 2016, the Director of Social Services asked the CSE Task Group to review the draft Cardiff CSE Strategy, which was due to be considered by the Cabinet on 10 March 2016. The Task Group reviewed the draft Strategy and Action Plan made a number of observations and recommendations for consideration by the Directorate prior to the implementation of the Strategy, which were reported to Committee and sent to the Cabinet Member.

***The Committee were pleased to receive a letter clarifying a number of points that the Committee identified, and outlining the approach being taken by partners in Cardiff, in partnership with the Local Safeguarding Children's Board, to make sure that the Council has a coherent starting point from which to strengthen prevention and intervention in relation to CSE in Cardiff.***

The Task Group has continue its investigations into CSE in Cardiff and has heard from third sector organisations, the Police, Cardiff & Vale University Health Board, Probation, Youth Offending Service, Education, Welsh Government and the Local Safeguarding Children's Board. The Members have also considered the All Wales Protocol and best practice examples from other Local Authorities.

The Task Group is expected to report its findings to the Committee's May meeting



## Policy Development & Pre-Decision Scrutiny – Better Decisions

A key part of the Committee's work is the review and assessment of effectiveness of the Council's policies which will impact of the lives of Children & Young People in Cardiff. The Committee always ensures that its work programme enables the scrutiny of any policy development and the pre-decision of any Cabinet report seeking approval for a strategy or policy affecting Children & Young People.

The Committee has during the past year undertaken pre-decision scrutiny of the following key policies:

### **National & Regional Adoption Services**

---

The Committee had previously reviewed the establishment of a National and Regional Adoption Service in 2014/15. It wished to receive a further update on the implementation of the service, further reviewing the structure, the role of the central team, governance arrangements and performance measures to ensure that they were fit for purpose. This was arranged at Committee's October 2015 meeting.

***The Committee was pleased with the progress being made by the National Adoption Services in particular the Governance and Operation. Members also welcomed the additional performance data as well as the positive picture it was now showing.***

The Members recommended that that the scrutiny of the National and Regional Adoption Service should continue, to enable the Committee to be assured that the services are providing an appropriate service for Cardiff's Looked After Children.

## Prevent Strategy

---

The Committee agreed to review how the Government's Prevent Strategy is being implemented in Cardiff. The Committee was interested to hear how various partners were working together and how the Strategy was being developed to work in Cardiff.

The Committee was informed that Welsh Government was still developing an updated guidance and self assessment tool. Members considered the training and awareness raising to be of key importance, and requested that specific training must be developed for Councillors. In addition Members felt that clearer links needed to be made with Council directorates.

***The Committee subsequently received a very positive response from the Prevent Coordinator, which responded to all the points raised by the Members, agreed to organise Training for Members, and to ensure that the strategy clearly identifies links with all Council Directorates.***

## Social Services and Well-Being (Wales) Act 2014

---

The Committee requested a series of reports on the progress being made to ensure the Council is prepared to implement the Social Services and Well-being (Wales) Act 2014.

The Committee initially considered the Regional Implementation Plan, which had been submitted to Welsh Government on 16 October 2015. Members noted that the Plan reflects the nine work streams being delivered through the Sustainable Social Services Programme and includes a risk assessment of the tasks required to implement the Act. The Members also reviewed the governance structure for this Programme, which included regional task and finish groups for each work stream and lead co-ordinating officers. The Committee requested further reports

giving more detail on the implementation on the areas of the Act that will introduce the greatest change, namely:

- Information, Advice and Assistance Service
- Financial Assessment and Charging
- Planning and promoting Preventative Services
- Eligibility/Assessment of Need
- Performance Measures
- Advocacy.

***The Members are now receiving a programme series of briefing papers covering each of the above elements. Members are providing feedback on each work stream so that the regional task & finish groups and lead co-ordinating officers can take into considerations the comments, concerns and recommendations of the Committee.***

## **2016-17 Budget Proposals**

---

The Council's Constitution allows for Scrutiny Committees to consider the draft Cabinet budget proposals prior to their consideration by the Cabinet and Full Council. The Committee considered the Council's draft Corporate Plan and draft budgetary proposals for 2016 -17, including their detailed savings proposals and Capital Programme at its meeting in February 2016. It reviewed the draft Corporate Plan and budget savings proposals, and tested their impact on the outcomes for Children and Young People.

The Committee expressed concern around the budget consultation exercise undertaken during December 2015, as Members considered that the weight given in the formulation of the budget to such a small sample was overstated. The Members also expressed concern around the achievability of a number of budget savings proposals. In particular Members were concerned that the savings in respect of tuition of children who are not educated in school could have a

detrimental impact on their educational outcomes. The Members also expressed concern that the Play Service savings proposals did not allow for the continuity of the service during the transfer of facilities.

***The Committee's letter was considered by Cabinet and Council during their deliberations on the proposals. The Cabinet Member for Corporate Services and Performance also responded to the letter providing a full explanation on the specific budget savings points raised by the Committee and also provided assurance that the review of the budget consultation would include the comments made by the Committee.***

## Performance Monitoring – Better outcomes

The Committee has a clearly defined role in the Council's improvement and governance arrangements, and its work programme includes a high level of the monitoring and review of Directorate performance, resource management, target setting and improvement management.

This year the Committee reviewed the level of Member involvement in monitoring performance and budget, particularly at Committee. The Committee agreed to set up a Budget Monitoring Panel and a Performance Monitoring Panel to determine whether this would free up some time at Committee and better focus the Members' analysis of information through an ongoing informal panel that reported back to the Full Committee.

### Budget Monitoring Panel

---

The Committee agreed to create a Budget Monitoring Panel to more effectively investigate each Directorate's progress in achieving the Council's agreed savings proposals, and in managing any potential expenditure overspends during the year.

The Panel agreed a programme of four meetings to review the Cabinet Budget Monitoring reports as and when they are published. The Panel has met three times this year and has reviewed the Month 4, 6 and 9 Cabinet budget monitoring reports. The outcome of each panel meeting has been reported to Committee and appropriate letters sent to Directors seeking clarification on savings programme, details of funding calculations and a commitment to undertake a detailed investigation.

***All requests for information have been responded to promptly and reported to Members at the next Panel meeting.***

## Performance Monitoring Panel

---

The Committee agreed to create a Performance Monitoring Panel to more deeply investigate each Directorate's progress against the key performance indicators.

The Panel has undertaken its work during the pre-meeting before Committee as it was subsequently felt that the Corporate Performance Reports were better reviewed at a public meeting.

***The three pre-meetings already held have enabled the Members to understand in more detail the narrative behind many of the indicators, and Members have requested clarification on particular indicators, background information and a commitment to undertake more detailed investigation into the reasons for variations in performance.***

***The pre-meeting format has worked well and it is anticipated that this format will continue in the future.***

## Quarterly Performance Reports – Children's Services

---

During 2015/16 the Committee noted generally improving performance across many indicators; however they expressed their concern at a few indicators showing reduction in performance. The Committee has reviewed each quarterly corporate performance report together with a catalogue of local indicators which the Members have requested to regularly monitor.

***The Committee has reviewed all of the local performance indicator reports in detail, following which the Committee has always written expressing their concern about areas where performance was either slowly reducing or had experienced a sudden dip in Performance, Members have also written passing on their appreciation of the work officers had made in those areas where performance has improved.***

## Performance Reports – Education and Lifelong Learning

---

The Committee continued its new approach to the scrutiny of educational performance by scheduling throughout the year examination of particular aspects of performance, in addition to an overview of Annual Performance in January. This approach has, however, been seen to have created duplication in reporting, and as such will be reviewed during the development of next year's work programme.

The performance monitoring reports enable Committee to review, assess and challenge the implementation of all actions and thereby the delivery of high quality education and improved outcomes for children and young people in Cardiff's Schools.

***The Committee has regularly written to the Cabinet Member seeking clarification on actions and recommended improvements in performance.***

## Central South Consortium – Annual Performance Report

---

The Committee considered the Consortium's draft business plan and reviewed the agreed business plan as part of its consideration of the Education Business Plan. The Committee's key task was to ensure that the two business plans fitted together in ensuring the improvement of outcomes of Cardiff's pupils.

The Committee also reviewed the monitoring and assessment of the work of the Consortium in Cardiff, and agreed to continue to do this at three meetings a year. The Members also discussed how best the five participating local authority's Scrutiny Committees could scrutinise the strategic direction and output of the Consortium, and agreed initially to enable the Chairpersons of all five scrutiny committees to meet to undertake a more strategic overview.

***The Committee at its Meeting in March queried the Director of Education and the Consortium as to whether the two Business plans did complement each***

*other in driving forward improvements in outcome for Cardiff's pupils. The Members were reassured to receive confirmation that both Business plans did ensure Cardiff's pupil outcomes would improve during the year.*

## **ESTYN Inspection Report**

---

An ESTYN inspection of educational services in Cardiff took place in the summer of 2011, to help form a judgment on the local education authority's performance. Her Majesty's Chief Inspector was of the opinion that the local authority was in need of significant improvement. An additional follow up monitoring visit was undertaken in February 2014, which recognised that progress had been made, but that there was still more that the local authority needed to do.

The Committee continued to monitor the service area's progress in improving educational attainment, and received regular briefings and progress reports throughout the year.

The Committee continued to work to address its actions designed to address the Estyn recommendations directed to the scrutiny committee:

- Ensure that the Children & Young People Scrutiny Committee receive clear, accurate and up to date information, together with improved quality analysis in all school performance reports;
- Develop and agree a clear protocol on the roles and responsibilities of the Children & Young People Scrutiny Committee and the Cardiff Partnership Board Scrutiny Panel in respect of the performance of education services;
- Develop and deliver a formal programme of training, covering education performance, analysis, and assessment, for Children & Young People Scrutiny Committee Members; and
- Establish a programme to scrutinise the Education and Lifelong Learning Directorate's delivery of its Monitoring Revisit Action Plan which addresses



Estyn's recommendations and which will improve educational performance in Cardiff schools.

The final Estyn inspection was undertaken in January 2016, which assessed the Council's progress against all six recommendations. The outcome of the assessment was that the Council had made satisfactory progress and was removed from Estyn monitoring.

***In respect of the recommendations directed at the Scrutiny Committee, the inspection letter stated that "The children and young people scrutiny committee's work programme appropriately includes arrangements for the scrutiny of all education services for children and young people. This includes services delivered through community settings and through schools. The Children and Young People Scrutiny Committee is increasingly effective. The Committee has agreed a framework to provide its members with structured development and training opportunities. This training has helped scrutiny members to improve their understanding of the issues relating to the achievements and attainment of Children and Young People, and how to interpret the data sets used by education officers and schools to track outcomes".***

## **CSSIW Evaluation on Social Care in Cardiff in 2014/15 (Joint CYP & CASSC Scrutiny)**

---

The Care and Social Service Inspectorate Wales (CSSIW) Performance Evaluation Report 2014-15 of the City of Cardiff Council Social Care Services provides their judgements on both Adult Services and Children's Services, and details their findings on the key strengths as well as areas for development and improvement.

The report takes into account the Director of Social Services Annual Report 2014-15, as well as the views of other auditors, and draws on inspection work undertaken during the year. It also provides a summary of the overall review and evaluation of performance for 2014- 2015. The main messages in the summary are:

- The Director's report presents a clear picture of the challenges and areas of progress made, as well as clearer aims for improvement;
- Performance indicators show some key areas requiring improvement although the Council is moving in the right direction;
- Improvements are required in reducing the number of people waiting for Hospital discharge, and Children's intake and assessment needs continued improvement;
- Planned appointments of assistant directors should enable the department to:
  - Take up the strategic challenge it faces;
  - Promote integrated services with Health and the Vale of Glamorgan;
  - Manage new models of care;
  - Promote service users well being in ever increasing financial restraint.
- There is strong corporate support for the delivery of social services;
- Elected Members are briefed and understand the implications of the Social Services and Wellbeing Act;
- There is good corporate understanding of the challenges facing the department, and the difficulties it faces in its efforts to provide services to the most vulnerable.

***Following consideration of the Inspection report The Joint Committee wrote to the Cabinet Member setting out the following comments and concerns that related to Children's Services:***

- ***to prepare an action plan to address the areas for improvement highlighted in the CSSIW report;***
- ***That the Director of Social Services to provide a written briefing on our readiness to implement the Social Services and Well Being Act (Wales) 2014 to our January 2016 committee meetings, with progress reports on each work stream to come each month to subsequent committee meetings;***
- ***Be informed about how the Directorate proposes to monitor performance in the critical area of Personal Education Plans for Looked After Children and to be informed how this will be reported;***
- ***Provide Children and Young People Scrutiny Committee Members with sight of the review into recruitment of Personal Advisors;***
- ***Provide reassurance regarding the clarity of the various responsibilities and roles for early intervention and prevention services.***

## Committee Briefing Reports – Better outcomes

The Committee agreed to receive briefing papers outside the normal Committee agenda so that they could be more effectively reviewed. The Committee agreed to receive these briefings as and when they were available.

Subjects covered included:

- Social worker vacancies and the pool of social workers
- Budget scrutiny
- Schools organisation plans.

***The outcome from the Members' review of the briefings has been reported to Committee and appropriate letters sent to Directors. All requests for information have been responded to promptly and reported to Members.***

## **CALL-IN of Welsh Cabinet Decision 15/CAB/84 Medium Schools Catchment Areas – Better Decisions**

The Council's Call-In Procedure provides that any non-Executive Member may request to call-in a decision of which notice has been given in writing to the Operational Manager (Scrutiny Services). The Committee received a request for a call in on Cabinet Decision CAB/15/84 on Welsh Medium Schools Catchment Areas. **The Call-in was held on 17 May and the outcome of the meetings was to :**

## Suggested Items for 2016/17 Work Programme

The Committee receives regular work programme updates at which Members have the opportunity to consider items suggested by members of the public, young people, organisations, Council Members and other Scrutiny Committees, for inclusion on the work programme. Committee Members can also suggest any new issues which may be of interest to the Committee.

The Committee will be starting the development of its work programme in June 2016. It has recommended that the following issues could be prioritised for scrutiny:

- Schools Causing Concern
- Education Long term Strategy
- Update on Youth Guarantee
- Cardiff Commitment to Youth Engagement and Progression
- Appointment of School Governors
- Consortium performance
- Merger of Glyn Derw and Michaelston High Schools
- Social Services Wellbeing Wales Act
- Regional Adoption Service
- Play Service.

The Council is responsible for co-ordinating the production of the main strategies and plans covering service development and provision across a range of services and agencies. The Committee's future work programme could include:

- Education long term strategy
- Children's Services Improvement Plan
- Corporate Plan and Budget
- Integrated Family Support Team.

The Committee has undertaken a number of Task Group inquiries during the year and will be identifying further issues for consideration during June/July 2016.

It is suggested that the Committee continues to receive the regular progress and performance reports on:

- Children's Services performance
- School performance
- Budget proposals and monitoring.

Mae'r dudalen hon yn wag yn fwriadol



scrutiny



---

# A Report of: Community & Adult Services Scrutiny Committee

Annual Report 2015 – 2016



City & County of Cardiff Council

# COMMUNITY & ADULT SERVICES SCRUTINY

## COMMITTEE MEMBERSHIP

(Chairperson)



[Councillor Ali Ahmed](#)



[Councillor Mary McGarry](#)



[Councillor Joseph Carter](#)



[Councillor Ralph Cook](#)



[Councillor Chris Davis](#)



[Councillor Chris Lomax](#)



[Councillor Julia Magill](#)



[Councillor Eleanor Sanders](#)

## **TERMS OF REFERENCE OF THE COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE**

To scrutinise, measure and actively promote improvement in the Council's performance in the provision of services and compliance with Council policies, aims and objectives in the area of community and adult services, including:

- Public and Private Housing
- Disabled Facilities Grants
- Community Safety
- Neighbourhood Renewal and Communities Next
- Advice & Benefit
- Consumer Protection
- Older Persons Strategy
- Adult Social Care
- Community Care Services
- Mental Health & Physical Impairment
- Commissioning Strategy
- Health Partnership

To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government-sponsored public bodies and quasi-departmental non-governmental bodies on the effectiveness of Council service delivery.

To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures which may enhance Council performance and service delivery in this area.

To be the Council's Crime and Disorder Committee as required by the Police and Justice Act 2006 and any re-enactment or modification thereof; and as full delegate of the Council to exercise all the powers and functions permitted under that Act.

## CHAIR'S FOREWORD

This has been my first full year as Chair and I am pleased to say that it has been a busy and productive year, with contributions from many stakeholders. The work has ranged across our terms of reference, covering adult social care, housing, welfare reform, regulatory services, crime and disorder, community safety and services for vulnerable people.

A major piece of work this year has been the completion of our Inquiry into one of the new duties under the Social Services and Well Being (Wales) Act 2014, namely the duty to secure 'Information, Advice and Assistance' services regarding care and support. As part of this work, we heard from over 250 service users and carers, via surveys and focus groups, about their experiences of current provision. We have also undertaken another Inquiry, at the request of South Wales Police, into how to reduce crime and disorder in the Night Time Economy in a time of Austerity.

This year, the Committee has trialled several new approaches to manage our full workload, including using a performance panel to triage performance reports and to undertake deep dives into the management of empty council housing and the care pathway in adult social services. We have also undertaken a thematic review of services for older people, examined several aspects of private sector housing issues and reviewed street homelessness.

Overall, we have heard from 49 external witnesses at our Committee and Task Group meetings, in addition to those who participated in our research. We have held to account Cabinet Members and senior officers for the planning and delivery of services and we have contributed to policy development.

I would like to thank my fellow Committee Members and the staff in Scrutiny Services and Member Services for all their support and work this year.



**Councillor Mary McGarry**  
**Chair, Community & Adult Services Scrutiny Committee**  
**May 2016**

## OVERVIEW

The Community and Adult Services Scrutiny Committee plays an important role in assessing service performance and informing service and policy development across a range of Council services, including all aspects of housing, neighbourhood renewal and adult social care. The Committee is also the Council's crime and disorder scrutiny committee.

One of the main aims of this Committee is to look at things from a service user and citizen perspective and use this to inform our observations and recommendations to the Cabinet. We have invited contributions to our work from carers, advocates, service users, citizens, partners and the third sector as well as hearing from Council Members and officers and statutory organisations. To date, 21 external witnesses have contributed at Committee and 20 external witnesses have attended task and finish group meetings to give evidence to Inquiries. Another 8 external witnesses have provided written submissions to our Inquiries. We have also run a survey and focus groups for service users and carers as part of our Inquiry into Information, Advice and Assistance Services, with over 250 participants.

Between June 2015 and May 2016 the Committee scrutinised the following topics:

- **Call-In of Cabinet Decision** - Where a Non-Executive Member invokes the Call-in procedure under the Council's constitution, to review a Cabinet decision prior to implementation:
  - Re-declaration of additional licensing scheme in the Cathays ward of Cardiff.
- **Inquiries** - Where the Committee has undertaken an examination of a topic over a period of time, resulting in a formal report to the Cabinet:
  - 'Information, Advice and Assistance Services for Mental Health Service Users in Cardiff'.
  - 'How to reduce Crime and Disorder in the Night Time Economy in a time of Austerity'.
  - 'Community Infrastructure Levy – Joint Committee Inquiry'.
- **Policy Development and/or Review** - Where the Committee has contributed to the Council's policy development processes, for example by considering draft policy documents, and/or where the Committee has considered the implementation of

policies, looking at whether this has happened in a timely manner and the impact of the policy, giving the Cabinet the opportunity to know Scrutiny Members' views about whether any changes are required:

- Directorate Delivery Plans.
  - Adult Carers of Adults.
  - Older Persons Thematic Item – Local Ageing Well Plan, Older Persons Housing Strategy, Health and Social Care Commissioning Strategy for Older People and redevelopment of 150 Thornhill Road for older person's housing.
  - Street Homelessness.
  - Reshaping Adult Social Care.
  - Supporting People Local Commissioning Plan 2016-17.
  - Domestic Violence recommissioning.
  - Special Meeting – to hear from those affected by budgetary proposals.
  - Housing (Wales) Act 2014 – Rent Smart Wales, Use of Private Sector Housing for discharging homeless duty, and street homelessness.
  - Shared Regulatory Services – Joint meeting with Environmental Scrutiny Committee.
- **Pre decision** - Where the Committee has evaluated and commented on policy proposals prior to Cabinet, giving Cabinet the opportunity to know Scrutiny Members' views prior to making their decision:
    - Future provision of Substance Misuse Counselling Service.
    - Day Opportunities Strategy.
    - Housing Allocations: Amendments.
    - Housing Revenue Account Business Plan.
    - Gypsy & Travellers Accommodation Assessment and Site Selection Assessment Criteria.
    - Corporate Plan.
    - Budgetary Proposals.
    - Supporting People Local Commissioning Plan 2016-17.
- **Monitoring Progress** - Where the Committee has undertaken monitoring of the Council's progress in implementing actions previously agreed:
    - 'Tackling Human Trafficking in Cardiff'.
    - 'Mitigating the Impact of Welfare Reform in Cardiff'.

- 'The Impact of Under Occupation of Social Housing (Bedroom Tax) Welfare Reform in Cardiff'.
- 'Provision of Accommodation for Gypsy and Traveller Households in Cardiff'.
- **Monitoring Performance** - Where the Committee has undertaken monitoring of the Council's performance:
  - CSSIW Evaluation of Social Services in Cardiff 2014-15.
  - Director of Social Services Annual Report 2014-15.
  - Quarterly Performance Reports – Adult Social Services, Communities and Housing, and City Operations.
  - Savings Progress Reports – Adult Social Services.
  - Quarter 4 Progress Reports for Health and Social Care Regional Collaboration Funded Projects.
  - Quarter 4 Progress Reports for Intermediate Care Funded Projects.
- **Briefings outside Committee**
  - Prevent and CONTEST briefing.
  - Visit to SMART house.
  - Visit to Alarm Receiving Centre.
  - Gypsy, Roma and Traveller Cultural Awareness Training.
- **Briefing Papers**
  - Welfare Reform – Universal Credit.
  - Accommodation and Support Project.
  - Housing Strategy.
  - Learning Disabilities – accommodation and employment opportunities.
  - Local Ageing Well Plan.
  - Social Services and Well Being (Wales) Act 2014.

Over the year the Scrutiny Committee held 15 committee meetings and wrote 26 letters to the Cabinet, officers and external partners, sharing their comments, recommendations and concerns following the scrutiny of items at committee meetings. This included three joint meetings: one with the Environmental Scrutiny Committee, in order to carry out policy development and review scrutiny of the Regional Regulatory Services Collaboration

proposals; and two joint meetings with the Children and Young People Scrutiny Committee, in order to consider the Director of Social Services Annual Report 2014-15 and the Care and Social Services Inspectorate Wales Annual Report on the Effectiveness of Social Care Services 2014-15. Members also held a special meeting in January 2016 to enable people affected by the draft budgetary proposals to put their views to scrutiny.

Members formed task and finish groups to undertake the three Inquiries listed above and held 25 meetings to undertake these: 13 meetings for the 'Information, Advice and Assistance Services for Mental Health Service Users in Cardiff'; 8 meetings for the 'How to reduce Crime and Disorder in the Night Time Economy in a time of Austerity'; and 4 meetings for the 'Community Infrastructure Levy – Joint Committee Inquiry'

Members attended a number of other scrutiny events including: forum meetings for work programming and for corporate plan and budget scrutiny; pre-meetings prior to Committee; performance panel meetings; and a workshop focusing on the role of scrutiny in a changing landscape. In addition, Members have attended training and briefing events, including those on the Social Services and Well Being (Wales) Act 2014, Budget, Corporate Plan, Liveable City, Information Governance, Data Protection and Freedom of Information and Wales Audit Office Corporate Assessment Follow On report.

## **PUBLIC QUESTIONS TO SCRUTINY**

The Council's five scrutiny committees regularly invite citizens and representatives of community and third sector organisations to provide evidence at committee meetings and task and finish inquiries, and through 2015/16 the Committee received numerous external guests to its activities and meetings.

During the summer of 2015 scrutiny chairs introduced arrangements for public questions to be heard at scrutiny meetings. The city's Third Sector Council (C3SC) was invited to submit questions on topics that were relevant to items being planned for October and November, and C3SC's Chief Executive Officer Sheila Hendrickson-Brown attended Committee's October and November meeting to ask a number of questions relating to Street Homelessness, Day Opportunities and Reshaping Social Care.

This was felt to have had a positive effect on building partnership between the Council and the third sector, and will be continued into the future.



## CALL-IN

Councillor Joseph Carter called-in the Cabinet Decision CAB/15/34 'Re-declaration of an Additional Licensing Scheme in the Cathays ward of Cardiff'. The Committee met to consider the areas specified in the Call-in, which were: insufficient stakeholder consultation; insufficient council consultation; and a changing legislative landscape.

Members heard from Councillor Carter, the relevant Cabinet Member, Councillor De'Ath, relevant senior officers, the manager of Rent Smart Wales, the Chair of Cardiff Landlords Forum, the President of Cardiff University's Student Union and local ward Members, Councillor Elizabeth Clark and Councillor Chris Weaver.

Having considered the evidence and the Call-in procedure rules set out in the Council's constitution, Members voted to not refer the item to Full Council or Cabinet for reconsideration but made a series of comments, observations and recommendations to the relevant Cabinet Member to inform future consultations. These covered: the timing of consultations to avoid times when students are away from Cardiff; undertaking work to boost low levels of participation; undertaking further engagement with segments of stakeholders where consultation results indicate clear opposition to proposals; boosting partnership working with key stakeholders; taking the lead in educating landlords on the various types of licensing and how schemes interact; and reflecting on the lessons emerging from the last five years of the additional licensing scheme and using these to improve performance over the next scheme.

The Cabinet Member responded by accepting all the recommendations made, stating that practices would be amended accordingly.

## INQUIRIES

### **Information, Advice and Assistance Services regarding Adult Mental Health Services**

Members prioritised this area for scrutiny in order to play a supportive role in the effective implementation of the Social Services and Well Being Act (Wales) 2014, which requires a step change in the way local authorities provide universal information, advice and assistance services regarding all social care services. Members focused on the services available with regards to mental health service users to enable a more in depth exploration of the current provision and the requirements for the successful implementation of the Act's requirements.

As part of the Inquiry, Members commissioned Scrutiny Research to work with Cardiff and Vale Action for Mental Health to undertake a survey to hear from Cardiff citizens who have used these services, to gather their views, perceptions and experiences. This was supplemented by focus groups, run with support from Diverse Cymru and Barnardos, with groups under-represented in the survey, including ethnic minority service users and carers and young people.

Members heard from relevant stakeholders, including organisations that currently provide these services, and used all the information gathered to make evidence-based recommendations. The report was submitted to Cabinet in January 2016 and a formal response to the recommendations is due by May 2016. The 2016-17 Budget, approved by Council in February 2016, includes provision for establishing posts to provide Information, Advice and Assistance services, including 1.5FTE Social Workers and 2 mental health support workers.

### **How to reduce Crime and Disorder in the Night Time Economy in a time of Austerity**

Members undertook this Inquiry following a request from South Wales Police, concerned about the actual and potential reductions in resources available to manage the Night Time

Economy. The Inquiry took a solution-focused approach, hearing from those working to manage crime and disorder in the Night Time Economy, as well as desk based research on what has worked elsewhere in the U.K.

The Inquiry found real concerns about the sustainability and security of funding for key Night Time Economy management services, with known and expected cuts in funding. The Inquiry highlighted the need for the Council to lead on an open conversation with all relevant partners on how to 'shrink together not shrink apart'. The Inquiry also highlighted that monies raised by a Late Night Levy are ring-fenced to pay for any Night Time Economy services, whereas monies raised by a BID (Business Improvement District) can only be used to enhance and add to existing services.

Many crime and disorder issues in the Night Time Economy stem from excessive alcohol consumption. The Inquiry found that Cardiff has taken the lead in tackling this but that more can be done to tackle pre-loading and drinking to excess.

The report was submitted to Cabinet in March 2016 and a formal response to the recommendations is due to be received shortly.

## **Community Infrastructure Levy – Joint Committee**

This Joint Committee Inquiry was undertaken in partnership with the Children & Young People Scrutiny Committee; the Economy & Culture Scrutiny Committee; the Environmental Scrutiny Committee and the Policy Review & Performance Scrutiny Committee. The Inquiry ran from November 2015 to February 2016 and considered the options for introducing a Community Infrastructure Levy (CIL) to Cardiff. The scrutiny exercise summarised the review into seven key elements, these included: strategy, proposed rates, recent legislative change and developer contributions, regulations 123 list, administration, community council funding allocation and general information.

In reviewing the various options the group drew upon a number of information sources including: witnesses from other local authorities; the construction industry; officers from Cardiff Council's Planning Service; Elected Members; a Scrutiny Research report and external planning consultants. From this body of evidence the Members drew key findings and made twelve recommendations. The main recommendations were: to exempt Strategic Sites from the CIL and have an inner and outer residential zone, with the inner

zone having a higher CIL than the outer zone; that the rates should include a variation tool to relate the contribution to the number of units; and that the schedule of rates should be reviewed in advance of the publication of the Draft Charging Schedule in spring 2016.

The Inquiry report has been sent to the Cabinet Member for Transport, Planning & Sustainability so that it can inform the Community Infrastructure Levy report which is due at Cabinet in June 2016.

## **POLICY DEVELOPMENT AND PRE-DECISION SCRUTINY**

Members have undertaken a significant amount of pre-decision scrutiny and policy development work in respect of Social Care and Housing issues as well as Community Safety and Crime and Disorder scrutiny. Details of some of these are provided below; a full list of the topics covered is provided earlier on pages 5 and 6.

### **Older Persons Thematic Item**

Members decided to combine scrutiny of a number of commitments regarding Older People into one item, in order to test progress with delivery, joint and partnership working. The Older People's Commissioner for Wales, the Chief Executive of Age Connects Cardiff & Vale and representatives from Cardiff & Vale University Health Board attended along with relevant Cabinet Members and officers.

Members were pleased to see positive relationships between partners and a commitment to meeting the needs of Older People. With regard to the Ageing Well Delivery Plan, Members wanted to improve the reach and deliverability of the Plan and made a series of recommendations as follows: increase the coverage of transport and planning services as well as the requirements of the Social Services and Well Being (Wales) Act 2014); include work to tackle health inequalities; include work to increase ethnic minority service up-take; include clear and measurable outcomes and targets; and provide details of those responsible for delivery. Members also recommended that housing and planning officers meet to scope the policy tools available to enhance the provision of older person's housing in the private sector in Cardiff.

The Cabinet Members accepted the recommendations with regard to the Local Ageing Well Delivery Plan and a revised Plan was submitted to Cabinet for approval in March 2016. Housing and Planning officers have also met to discuss provision of older person's housing and have liaised with developers on this.

## **Street Homelessness**

Members carried out policy development and review scrutiny of street homelessness services in October 2015 and March 2016. Members put on record their sincere thanks to all those who work with homeless citizens in Cardiff, for their dedication and hard work. Members heard from relevant Cabinet Members and officers, South Wales Police and a number of the third sector organisations that work with street homeless people, including The Salvation Army, Huggard Centre and The Wallich.

Members scrutinised proposals to assist European Economic Area nationals sleeping rough, helping them to return to their home countries, with appropriate support, and with re-patriating other people sleeping rough who do not have a local connection with Cardiff. Members heard about work in place to assist young people sleeping rough and work to ensure care leavers receive support services to secure appropriate accommodation. Members were concerned about whether there would be sufficient bed spaces and support during the cold weather period of November – March.

Members were pleased with the evidence they received at their meeting in October 2015, which indicated a pro-active approach being taken to the issues detailed above, and scheduled an update in March 2016 to check progress on the delivery of these proposals and also to see whether other issues had emerged over the cold weather period. The evidence at the March meeting showed that there had been sufficient bed spaces and support. The number of outreach workers had been increased and this resulted in more clients being repatriated appropriately and being directed to appropriate supported housing. The approach being taken with care leavers and young people was also shown to be working to date.

## **Housing (Wales) Act 2014**

Members scrutinised the implementation of a number of aspects of the Housing (Wales) Act 2014, including those relating to social housing allocations, homelessness duties, the private rented sector and Rent Smart Wales. Overall, Members were pleased with the progress made on these. Members asked for further information on the use of the private rented sector to discharge homelessness duties, as this is a new area which Members wish to explore further.

## **Reshaping Adult Social Care**

Members heard from Andrew Cozens, who carried out an independent appraisal of the current position with regard to Adult Social Care in Cardiff. Members heard from the Director of Social Services with regard to a proposed improvement programme, including reshaping adult social care in order to improve outcomes for vulnerable citizens. Members reviewed how this approach linked with the on-going improvement programmes. Members offered to have a continued dialogue with the Cabinet Member regarding how the Committee can work constructively to support the improvement of Adult Social Care.

## **Day Opportunities Strategy**

Members devoted a significant portion of their work programme to scrutinising proposals for day opportunities for older people and other vulnerable service users. In 2014/15, Members raised their concerns about proposals to close all day centres. Members were therefore pleased these had been revised and that it was now planned to keep three day centres, create a Day Opportunities team and signpost to community provision using a tiered approach. Members requested the item be brought for pre-decision scrutiny at which time Members wished to receive a schedule detailing the results of the three month consultation.

During the consultation period, Members were contacted by service users, carers and stakeholders concerned at proposals regarding service users of a dementia centre, Oldwell Court. Members held a special meeting to hear their concerns and reported these to the Cabinet Member to inform the consultation process. Members also sought

clarification of several issues raised by stakeholders, asking to receive these before the scrutiny of the final proposals. These were provided.

The final proposals were significantly amended, with a motion at Full Council committing the Council to fund places for existing service users of Oldwell Court until such time as the arrangements are no longer required and committing the Council to work with the organisation that runs the dementia centre to help them secure their accommodation into the future.

## **Gypsy & Traveller Accommodation Assessment and Site Selection**

### **Criteria**

In January 2016, Members carried out pre-decision scrutiny of the Gypsy & Traveller Accommodation Assessment and Site Selection Criteria. This scrutiny built on a previous Inquiry undertaken by this Committee, where Members recommended significant work be undertaken to ensure the accommodation needs of Gypsy & Traveller households in Cardiff were appropriately met.

Members recommended clarifications be made to the Accommodation Assessment to better explain the reasoning behind some of the calculations. Members also recommended that the use of wording in the site assessment criteria be checked with the Planning Inspector to ensure it was appropriate.

These recommendations were accepted by the Cabinet Members, with the Accommodation Assessment and Site Selection Criteria being amended accordingly before being taken to Cabinet, thus strengthening both documents and making their implementation more straight-forward.

## **Supporting People Local Commissioning Plan**

In December 2015, Members carried out policy development scrutiny, followed by pre-decision scrutiny of the Supporting People Local Commissioning Plan in February 2016 and March 2016. This plan sets out £16 million spend on services to some of the most vulnerable citizens in Cardiff. Members were interested to ensure that the Plan supported proposals for associated areas, which had previously been scrutinised, such as domestic violence services, independent living services and street homelessness. Overall, Members

were supportive of the Plan and were particularly pleased that the Plan acknowledged the need for more work to engage with service users.

Members noted that some of the Welfare Reforms announced in the Autumn Statement by the Chancellor of the Exchequer would impact on some supported housing tenants and sought further information on the work proposed to mitigate the impact of these.

### **Shared Regulatory Services**

In March 2016, the Community and Adult Services Scrutiny Committee and the Environmental Scrutiny Committee met jointly to undertake policy development and review scrutiny of the implementation of the shared regulatory services and pre-decision scrutiny of the Business Plan 2016-17, which covers work across Bridgend County Borough Council, Cardiff Council and the Vale of Glamorgan Council.

The meeting was structured in a collaborative spirit to pilot the inclusion of questions from Scrutiny Members of Bridgend County Borough Council and the Vale of Glamorgan Council. Three questions from Members of these authorities were submitted as part of the pilot and these were asked at the meeting.

Members scrutinised performance delivery, particularly in the area of food safety, and progress with implementation, including the sharing of assets, restructuring of staff, use of ICT systems and introduction of agile working. Members sought further information on the implementation costs and savings achieved to date and anticipated over the next two years.

With regard to the business plan, Members were supportive of the move to outcome based performance indicators, recommended improving the risk assessment wording to include a hierarchy of risk and recommended including details of how the Shared Regulatory Service proposes to support the welfare of staff delivering services in the new model. Members also requested that they include appendices for each of the three partner local authorities indicating how the overarching plan relates specifically to each area.



## **COMMUNITY SAFETY AND CRIME & DISORDER SCRUTINY**

During 2015-16, Members have undertaken the following scrutinies as part of their responsibilities for scrutinising the work of the crime and disorder partnership and community safety in Cardiff: received and scrutinised the response to their in-depth Inquiry into Tackling Human Trafficking in Cardiff; undertaken an Inquiry into how to reduce Crime and Disorder associated with the Night Time Economy in a time of austerity; received progress reports on the process of re-commissioning Domestic Violence services; and organised and attended a private briefing on Prevent, CONTEST and community cohesion. Members have also scoped an Inquiry into Anti-Social Behaviour, which is due to commence shortly.

During scrutiny of the Corporate Plan and Budget, Members drew attention to the Council's responsibility to mainstream and embed community safety within all Council services as a legal obligation under Section 17 of the Crime and Disorder Act 1998 and recommended that senior officers be made aware of the above, in order that proposals being developed by officers properly reflect the requirement on the Council to promote Community Safety. The Leader confirmed that a briefing would be held for senior officers on the Council's legal obligation under Section 17 of the Crime and Disorder Act 1998.

Members have also raised their concerns at the lack of performance reports for the crime and disorder partnership; in previous years, Members have received these reports six monthly. The new Head of Partnerships and Performance has committed to addressing this shortfall and Members expect to receive performance reports for 2016/17.

## **CORPORATE PLAN & BUDGET**

At its February 2016 meeting the Committee considered the Council's draft Corporate Plan and draft budgetary proposals for 2016 – 17. Members noted that the draft Corporate Plan 2016-18 was a good document with a clear layout. Members recommended improvements to the Corporate Plan, including improving linkages with What Matters and improving the sections on measuring progress. Members raised particular concerns with regard to the presentation of consultation results, stating that differences in methodologies should be

made clear, along with the constraints in using results. Members also highlighted that leading questions should not be used.

With regard to the budget, Members noted the following: new mechanisms have been used this year to help improve resilience and prepare for additional pressures; there had been a more robust process of challenging proposals; an additional £3.5 million has been allocated to Social Services to reflect demographic pressures, fee increases and the implementation of the Social Services and Well Being (Wales) Act 2014; and an additional £4.2 million has been allocated for disabled adaptations.

Members raised particular concerns with regard to proposals relating to taxi marshals and received an absolute commitment that the Council will continue to meet the costs of the existing level of taxi marshal service if alternative sources of funding could not be found and that the Employee Implications paper would be amended to show that taxi marshal posts would not be cut. Members also raised concerns that the Council should not rely on Business Improvement District monies, which are not within the control of the Council, and should think about an alternative strategy to secure Council funding for Operation Mistletoe. Members also recommended that wording relating to mobile CCTVs be amended to make it clear that cameras that are not working are being replaced with new cameras.

With regard to other savings, Members sought assurance that capacity within reablement is sufficient to meet demand and that it is prudent to take this saving rather than re-invest the saving into the service. Members also raised concerns that the savings associated with introducing a first point of contact may be too high a figure to achieve going forward and sought assurance that this saving is achievable. With regard to Day Opportunities, Members sought clarification of the impact of the decision taken at Council to phase savings from Oldwell Court.

Members also raised the need to think about the financial pressures that would fall on the Council should a domiciliary care provider withdraw from Cardiff. Members noted that the Cabinet Member was meeting the Minister shortly and would raise the resilience of the domiciliary care market with them.

When the Corporate Plan was agreed at Full Council, it included amendments to improve the links between the commitments contained within the Corporate Plan and the What Matters Strategy as well as to some of the measuring progress sections

When the final budget was agreed at Full Council, changes were made with regard to Taxi Marshal posts in the savings proposals and Employee Implications report, as well as with regard to the use of Business Improvement District funding and CCTV cameras.

## **MONITORING PROGRESS**

Members received progress reports on the implementation of agreed recommendations for four previous Inquiries: 'Tackling Human Trafficking in Cardiff'; 'Mitigating the Impact of Welfare Reform in Cardiff'; 'The Impact of Under Occupation of Social Housing (Bedroom Tax) Welfare Reform in Cardiff'; and 'The Provision of Accommodation for Gypsy and Traveller Households in Cardiff'.

## **MONITORING PERFORMANCE**

Members have received a range of reports to facilitate appropriate performance scrutiny, monitoring of service delivery and the driving of service improvement for citizens. These have included: quarterly performance reports; quarter four progress reports with regard to health and social care projects funded by Welsh Government Regional Collaboration Funding and Intermediate Care Funding; progress reports on the delivery of accepted savings; and scrutiny of the Directorate Delivery Plans.

In response to the Wales Audit Office Corporate Assessment 2014, this Committee has established a performance monitoring panel to scrutinise the quarterly performance reports and undertake 'deep dives' as needed, outside of Committee meetings. The panel considered trends in performance in Adult Social Care and the sections of the Communities Directorate and City Operations Directorate that fall within this Committee's terms of reference, as well as their Quarter One and Quarter Two performance reports. The panel's views were reported to the whole Committee and letters capturing the Committee's comments, observations and recommendations were sent to the relevant

Cabinet Member. For the Quarter Three performance reports, relevant Cabinet Members and officers attended Committee to answer Members' questions in order to publically demonstrate the Committee holding to account those responsible for performance.

Members sought clarification on the target setting process for indicators, the use of RAG (Red, Amber, Green) status and how these are determined, how intervention levels are set, and how new indicators are being developed in response to changes in legislation with regard to homelessness and social services.

Members also undertook a deep dive into the management of council housing void properties, resulting in a report with recommendations being submitted to the Cabinet Member; a response is due shortly. Members have commenced a second deep dive on the care planning pathway.

The following recommendations have been accepted: information on PPDR's (Personal Performance and Development Review) and savings to be shown separately for Children's Social Services and Adults Social Services; housing repairs indicators to be included in Communities performance report; homelessness indicators to be provided in the Quarter 4 performance report; guidance on the use of RAG status has been developed and circulated to all Directorates in order to ensure a more consistent approach to the setting of RAGs.

Members also received reports from relevant Inspectors, including the Care and Social Services Inspectorate for Wales. This Committee held joint meetings with the Children and Young People Scrutiny Committee to scrutinise the Director of Social Services Annual Report and to receive the CSSIW Evaluation of Social Services in Cardiff 2014-15 report.

## **WORK PROGRAMME FOR 2016 - 17**

Members of the Committee will soon be invited to consider items for possible inclusion in the Committee's work programme during 2016-17. Work is currently in progress to draw together issues for the new Committee to consider. A draft work programme will then be developed and brought to Committee for approval and implementation. The Committee will welcome suggestions for scrutiny items from other Members.

## FUTURE SCRUTINY WORK

Over the course of its deliberations this year, the Committee has recommended that the following items be considered for inclusion in the Committee's 2016-17 work programme:

- ❖ Social Services & Well Being (Wales) Act 2014 implementation.
- ❖ Integrating Health and Social Care.
- ❖ Housing (Wales) Act 2014 implementation.
- ❖ Anti Social Behaviour.
- ❖ Domestic Violence recommissioning.
- ❖ Gypsy & Traveller Site Selection.
- ❖ Reshaping Adult Social Care.
- ❖ Additional Licensing Scheme.
- ❖ Local Housing Strategy.
- ❖ Review of Advice Services.
- ❖ Communities First.
- ❖ Cardiff & Vale Safeguarding Adults Board Annual Report and Corporate Safeguarding Report.
- ❖ Performance Reports.
- ❖ Savings Reports.
- ❖ Relevant Audit, Inspection and Regulatory Reports.
- ❖ Cabinet Responses to previous Inquiries.
- ❖ Implementation of agreed recommendations from previous Inquiries.

Scrutiny Services, City and County of Cardiff Council  
Room 263, County Hall, Atlantic Wharf, Cardiff CF10 4UW.  
Tel: 029 2087 2953 Email: [scrutinyviewpoints@cardiff.gov.uk](mailto:scrutinyviewpoints@cardiff.gov.uk)  
© 2016 The City & County of Cardiff

scrutiny



---

# A Report of: Economy and Culture Scrutiny Committee

Annual Report 2015 – 2016



City & County of Cardiff Council

# ECONOMY & CULTURE SCRUTINY COMMITTEE MEMBERSHIP



Councillor Rod McKerlich  
(Chairperson)



Councillor Dilwar Ali



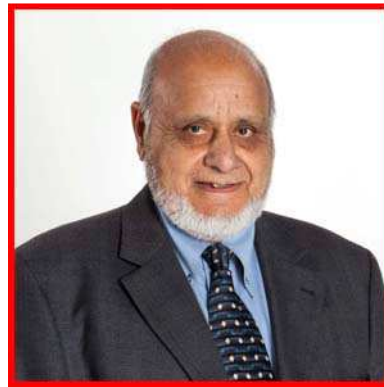
Councillor Ashley Govier



Councillor Nigel Howells



Councillor Keith Hyde



Councillor Mohammad Javed



Councillor Elaine Simmons



Councillor Ed Stubbs



Councillor Christopher Weaver

Former Committee Members

Cllr Ralph Cook (until June 2015)  
Cllr Darren Williams (until June 2015)



## **TERMS OF REFERENCE OF THE ECONOMY & CULTURE SCRUTINY COMMITTEE**

To scrutinise, measure and actively promote improvement in the Council's performance in the provision of services and compliance with Council policies, aims and objectives in the area of economic regeneration.

The Committee is responsible for looking at the following areas:

- Cardiff Business Council
- Inward Investment and the marketing of Cardiff
- South East Wales Economic Forum
- Economic Strategy & Employment
- European Funding & Investment
- Small to Medium Enterprise Support
- Cardiff Harbour Authority
- Lifelong Learning
- Leisure Centres
- Sports Development
- Parks & Green Spaces
- Libraries, Arts & Culture
- Civic Buildings
- Events & Tourism
- Strategic Projects
- Innovation & Technology Centres
- Local Training & Enterprise

To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government, Sponsored Public Bodies and quasi-departmental non governmental bodies on the effectiveness of Council service delivery.

To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures, which may enhance Council performance or service delivery in this area.

## CHAIR'S FOREWORD

Following my first year as Chair of the Economy and Culture Scrutiny Committee, I am pleased to present this Annual Report which outlines the Committee's work for 2015 – 2016. I wish to thank all the Members who have served on the Committee this year, namely Cllrs Ali, Govier, Howells, Hyde, Javed, Simmons, Stubbs and Weaver, and additionally I would like to thank Councillors Ralph Cook and Darren Williams who were Members of the Committee at the outset of the municipal year.

The Committee has delivered a well balanced work programme this year, considering a broad range of items covering the Committee's Terms of Reference, and working within the recommended agenda guidance of the Wales Audit Office. Key areas of focus through the year include the economic development of Cardiff, tourism, cultural and leisure services, adult learning and libraries; all of which you will find detailed in this Annual Report. Our work programme provided flexibility to consider additional and important items as the year progressed, allowing the Committee to consider the progression of Cardiff Capital Region City Deal on two occasions at relatively short notice, reflecting the pace at which negotiations have advanced.

Scrutiny Committees play an essential role in the democratic accountability of the Council, asking the questions and exploring the issues that are priorities for the citizens of Cardiff. I am pleased that the Economy and Culture Scrutiny has this year served as a means for many stakeholders and individuals to participate at Committee meetings, voicing their concerns in person and providing added depth to the questioning undertaken by Members. Throughout this year invaluable external contributions were received from Cardiff Civic Society, Cardiff Allotment Holders Association, Save Roath Library group, Cardiff 3rd Sector Council, Artes Mundi, What Next? Cardiff, and independent artists.

Of significant importance were the contributions received from the Arts community in considering the 2016/17 Budget Proposals – for Consultation. I am convinced that the passion and enthusiasm for the Arts displayed to the Committee, combined with clear evidence on the wide reaching benefits the Arts deliver for Cardiff, played an important role in the re-evaluation and subsequent removal of some of the proposed cuts affecting the Arts. Throughout the year the Committee has been mindful that, as in many previous

years, there are tough decisions to be made with regard to Council finances, but we were pleased that the importance of Cardiff's cultural offer was recognised having received a more favourable budget settlement than was anticipated.

Members of this Committee have contributed to four separate task and finish inquiries this year. 'Cardiff's Maritime Heritage – the Economic potential' and 'Cardiff Allocation of National Non Domestic Rates' are two ongoing inquiries of this Committee which will be completed within the 2016/17 work programme. 'Cardiff Central Transport Hub' has been jointly undertaken with the Environmental Scrutiny Committee and 'Community Infrastructure Levy' was delivered in partnership with all four other scrutiny committees.

In closing, I would like to thank the officers in Scrutiny and Member Services who have helped to organise the meetings; without this support none of the work would be possible. I would also like to thank Members of the Cabinet and Senior Management for their continued commitment to the accountability, openness and transparency provided through Scrutiny in Cardiff.



**Councillor Rod McKerlich**  
**Chair, Economy & Culture Scrutiny Committee**

## 2015-16 INTRODUCTION & OVERVIEW

The Economy and Culture Scrutiny Committee plays an important role in assessing service performance and informing policy development across a range of Council services. The Directorates predominantly covered by its terms of reference are Economic Development; City Operations; and Communities, Housing and Customer Services.

The 2015 – 16 work programme (found at **Appendix 1**) included items across several Cabinet Portfolio areas, notably those of Economic Development & Partnerships; Community, Development. Co-operatives & Social Enterprise; Environment; and Skills, Safety, Engagement and Democracy.

This report presents the Committee's primary activities during 2015 -16 and, wherever possible, identifies the impact of the Committee's work upon the areas within its remit.

Between July 2015 and April 2016 the Committee scrutinised a wide range of topics, which are listed below:

**Inquiries** – Where the Committee has undertaken an examination of a topic over a period of time, resulting in a formal report or letter to the Cabinet.

- 'Cardiff's Maritime Heritage – the Economic potential'
- 'Cardiff Allocation of National Non Domestic Rates'
- 'Cardiff Central Transport Hub'
- 'Community Infrastructure Levy'
  
- Cabinet Response and Progress Update – 'Cardiff Central Market and Historic Arcades'.

**Policy Development and/or Review** - Where the Committee has contributed to the Council's policy development processes, for example by considering draft policy documents, and/or where the Committee has considered the implementation of policies, looking at whether this has happened in a timely manner and the impact of the policy, giving the Cabinet the opportunity to know Scrutiny Members' views about whether any changes are required.

- Sport and Leisure Strategic Framework – Phase 1
- Arts Council of Wales – the potential of the arts in Cardiff
- Central Library Hub
- Cardiff Capital Region City Deal
- 2016/17 Budget Proposals for Consultation – Stakeholder views
- Cardiff Tourism Strategy and Action Plan.

**Pre-decision** - Where the Committee has evaluated and commented on policy proposals before they go to the Cabinet, giving the Cabinet the opportunity to know Scrutiny Members' views prior to making their decision.

- Roath Library
- Business Improvement District
- Cardiff Business Council
- Library Stock Management.

**Monitoring** - Where the Committee has undertaken monitoring of the Council's performance and progress in implementing actions previously agreed.

- Corporate Plan and Budget 2016/17
- Quarterly Performance Reports – Economic Development; City Operations; Community, Housing and Customer Services
- Allotments Strategy Interim Review (2014-17)
- Welsh Public Library Standards 5<sup>th</sup> Framework
- Summer Reading Challenge 2015
- Adult Community Learning 14/15 Performance.

Over the year the Scrutiny Committee held 11 committee meetings<sup>1</sup> and wrote 28 letters to the Cabinet, officers and external partners, sharing their comments/ recommendations and concerns following the scrutiny of items at committee meetings. The Committee also wrote three letters to Cabinet Members as part of their task and finish inquiry work.

The following pages highlight the Committee's key activities during 2015 - 16 and identify the comments and recommendations made.

---

<sup>1</sup> Note - June 2015 Meeting was reported in 2014/15 Annual Report

## **PUBLIC/STAKEHOLDER PARTICIPATION IN SCRUTINY**

### **Public Questions to Scrutiny**

---

The Council's five scrutiny committees regularly invite citizens and representatives of community and third sector organisations to provide evidence at committee meetings and task and finish inquiries, and through 2015/16 the Committee received numerous external guests to its activities and meetings.

During the summer of 2015 scrutiny chairs introduced trial arrangements for public questions to be heard at scrutiny meetings. The city's Third Sector Council (C3SC) was invited to submit questions on topics that were relevant to items being planned for October and November, and C3SC's Chief Executive Officer Sheila Hendrickson-Brown attended Committee's November meeting to ask a number of questions relating to the Community Hub Strategy.

This trial was felt to have had a positive effect on building partnership between the Council and the third sector, and will be continued into the future.

### **2016-17 Budget Proposals – for Consultation; Stakeholder views**

---

As part of the 2016-17 budget consultation process, Members of the Committee agreed to allocate time at the January meeting for anyone wishing to represent their views on budget proposals falling within the remit of the Economy & Culture Scrutiny Committee.

The Committee received representations at the January Committee meeting from three separate stakeholder groups – all focussed on different elements of the budget proposals affecting the Arts in Cardiff. The individuals presenting to the Committee represented Artes Mundi, What Next? Cardiff, and the Cultural Projects Scheme.

## **Task and Finish Inquiry participation**

---

Cardiff Civic Society representatives were invited to participate in a joint task and finish inquiry undertaken with Members of the Environmental Scrutiny Committee, focussed on 'Cardiff Central Transport Hub' in November 2015.

These representatives were also given the opportunity to submit questions they wished the Inquiry members to take up with the Cabinet Member and senior officers at a final meeting of the Inquiry in February 2016.

## **Scrutiny Item participation**

---

Save Roath Library Group were invited to address the Committee in July 2015, where Members considered an item on proposals for Roath Library. The Group represents the library's users and was established in light of service users' discontent with a perceived lack of consultation and information being provided to the public.

This provided an important insight for Members into the public's experience and the local importance of the facility and services provided.

## INQUIRIES

Where the Committee has undertaken an examination of a topic over a period of time, resulting in a formal report or letter to the Cabinet.

### **Cardiff's Maritime Heritage – the Economic potential**

---

In May 2015 the Committee agreed to commence an Inquiry looking at Cardiff's Maritime Heritage and the buildings in the Cardiff Bay area that could be utilised for Economic regeneration.

The first meeting of this Inquiry took place in October 2015, where Members met with officers responsible for the protection and restoration of listed buildings and related major projects. The purpose of this meeting was to understand the history of Cardiff's maritime heritage and the key buildings within this; to understand the Council's role and responsibilities; examples of where the Council has been involved in restoration projects; the potential these buildings have to deliver economic benefit and link with the Tourism Strategy and; the role Welsh Government and private businesses have to play.

Members were informed of the following:

- The Council has not really capitalised on the economic driver and tourism boost that its historic buildings and structure could create. Ideas such as the story of Captain Scott could really be focussed on – focus is now being built into the Tourism Strategy to address this.
- A recent independent review found Mount Stuart Square to be the finest collection of buildings of their type in the UK. Progress is being made with the Coal Exchange, mainly in terms of hotel development, but it is hard to generate the kind of community interest that has been seen at places such as Insole Court or Library buildings. If the future of the Coal Exchange was secured, it could be central to driving regeneration and interest in the surrounding Mouth Stuart Area.



- In Conservation Areas the Council has a role to designate, review and protect buildings - advising owners on alterations and demolitions. Where a building is at risk, the Council can request that work is undertaken, or, if needed undertake the works needed to make the building safe – however there is reluctance to do this as risk, and financial responsibility could be transferred to the Authority.
- The Tramshed development, Insole Court, Pierhead Clock and Llanrumney Hall could be considered successes in terms of regeneration of historic buildings, while the Cardiff Bay Train Station building highlights the problems that can be encountered in encouraging private companies to restore a building.

A decision was made to temporarily postpone this inquiry and allocate Members' time to a new Inquiry – Cardiff Allocation of National Non Domestic Rates. Further meetings of this inquiry will be discussed as part of the 2016/17 work programme, including a tour around the city highlighting key buildings. It will be informed by Committee items focussed on the Coal Exchange and Maritime Heritage Quarter, due to be considered in June/July 2016.

## **Cardiff Allocation of National Non Domestic Rates**

---

In August 2015, the Economy and Culture Scrutiny Committee agreed to commence a task and finish inquiry reviewing Cardiff's Allocation of National Non-Domestic Rates. A perception exists that Cardiff is a significant net contributor to the central NNDR pool and the allocation it receives as a Council does not adequately support the expectancies placed upon Cardiff as a Capital City, with the facilities that makes Cardiff an attractive place to work, live and visit being undermined.

The inquiry has not yet been completed, as Members plan to explore the issue with Assembly Members – it was decided that this evidence should be collected following the Thursday 5 May Assembly Elections.

Two meetings have been held to date, capturing evidence from officers responsible for Revenues and Finance. Members have heard following key information:

- Cardiff has no say into what level of rates businesses are required to pay. The Council is responsible for billing and collection on behalf of the Welsh Government. All goes into a central pot and then is reallocated across Wales. Only 4 of the 22 Welsh Local Authorities are net contributors – the remaining 18 are net recipients (receive more allocation of NNDR than they collect locally). It is very unlikely there will be a collective agreement across Wales for any changes to be made.
- Finances allocated to local authorities are based on the Standard Spend Assessment (SSA). This is based on a formula establishing the level of expenditure required to ensure that each local authority can provide a standard level of service. Local authorities receive this level of money via a combination of Council Tax income, Non Domestic Rate allocation and Revenue Settlement Grant. The key figure is the value of SSA, this is the amount local authorities will receive – retaining more NNDR does not necessarily mean more money overall, as adjustments would be made to other income, such as the Revenue Support Grant.
- England has introduced local retention of rates. Local authorities retain 50% of increased yield and are allowed to retain the remainder. If applied to Cardiff, we could potentially retain a few million pounds a year. This would prove very important in terms of balancing the budget and securing important services. The Chancellor seemingly wants to move toward full localisation and remove revenue support. The message from the Welsh Government is that there will be no localisation until 2020, when there will be a local authority reorganisation.

Further meetings of this Inquiry will be required before Members are in a position to agree key findings and recommendations. As mentioned, Members will seek the views of Assembly Members following the 2016 elections, and will also look to receive evidence from English local authorities who have experienced the change toward local retention of business rates.

Members are also keen to establish the cost to Cardiff of being a Capital city – reviewing the cost of events held in Cardiff and the additional finances received to support this.

## Cardiff Central Transport Hub

---

As part of their 2014-15 work programmes, the Environmental and Economy and Culture Scrutiny Committees agreed to establish a joint task and finish inquiry focussed on arrangements for the new Central Transportation Hub. It was agreed that the Economy and Culture Scrutiny Committee would take the lead on this work, given the existing commitments of the Environmental Scrutiny Committee.

In 2014/15, given the tight timescales prior to a Cabinet decision it was deemed unlikely that Scrutiny could provide the full rigour of a task and finish Inquiry within the time available. As such, it was agreed that a series of individual meetings on specific themes would be arranged, with letters and recommendations submitted following each meeting.

Three meetings of this inquiry were held as part of the 2014-15 work programme, and a further three meetings have been held this year as part of the 2015-16 work programme. A summary of each meeting and the correspondence between the Inquiry Members and Cabinet Member is given below.

### **Meeting 4 – Concept Design – 23 June 2015**

This meeting considered an outline of the preferred design for Cardiff Transport Interchange and an overview of the engagement work that will be undertaken to develop the final detailed design. Cllr Ralph Cook, as Chair of the Environmental Scrutiny Committee wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Request that the new Cardiff Transport Interchange should include a dedicated area for storing luggage.
- Note the current bus station capacity is 73 buses an hour and that the new Cardiff Transport Interchange will have 14 stands and could accommodate an average of 112 buses per hour.

- Seek assurances that the smaller footprint of the new bus station will be able to cope with the increased volume to ensure that safe and smooth bus operation can take place.
- Seek assurances about the impact on safety beyond the curtilage of the development; in particular that the immediate roads will be able to cope with the greater volume of bus traffic given the higher number of buses entering and leaving the new bus station.
- Note that the smaller bus station foot print and the higher bus transfer rate means that in future there will be little if any opportunity for bus layover. Members requested that major bus providers are liaised with to find out what provision they have for alternative layover locations and share this with the task group.
- Question cost implications of the new transport interchange proposals. Members requested information on the level of funding to be placed into the new transport interchange as a result of developer contributions, for example, section 106 contributions from the new BBC building, etc..
- Raise concerns about the apparent reduction in drop off and pick up locations to the north of the development, creating difficulties for people trying to access the transport interchange. The task group sought reassurance that there is a strong commitment to properly manage all drop off and pick up areas in future with regular enforcement action being taken where appropriate.

The response received from the Cabinet Member stated that:

- Give assurances that luggage storage area will be included in the specification for detailed design.
- Give assurances that the design of the new facility will provide sufficient space to enable safe reversing manoeuvres to be carried out.

- State that It is impossible to predict the percentage of bus services that will use the new interchange and to confirm that there will be some layover spaces provided, ,but fewer than in the current bus station.
- To recognise the importance of management of pick up and drop off drop off areas to provide efficient use of the available space.
- To confirm that anticipated completion date is December 2017, but to state that this is a complex project which is inextricably linked with other Central Square developments.

### **Meeting 5 – Public Consultation and Costing Options - 25 November 2015**

The areas covered during the meeting included an update on the overarching Central Square Scheme, feedback on public engagement undertaken, the timeline and key decision points for the developments and estimated costs and funding options for the new bus interchange. Cllr Rod McKerlich, as Chair of the Economy & Culture Scrutiny Committee wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Highlight three main requirements for the delivery of a new Transport Interchange in the city centre. The new building must be a financially sound arrangement for the Council, be visually attractive and its functionality must meet the demands of a growing capital city. Members noted from the meeting that work was underway to ensure the first two of these requirements is met.
- Note particular concerns with the functionality of the new interchange (while accepting this was not the focus of the meeting). Concerns included traffic projections and models, capacity estimates, pollution modelling and future phases of the Central Square development
- Note the confidence that the bus station will be delivered on schedule and will be operational by December 2017 –Members were pleased that the delay in the signing of the BBC deal at Central Square has no impact on the timeline associated with the transport interchange development.

- give support to the request for Cabinet to grant authority for spend on enabling works and authority to further explore funding options for the transport interchange building.

It was agreed at this meeting, that officers would meet with Members in the future to discuss the range of issues Members of the inquiry raised, particularly with regard to the functionality of the Transport Interchange. A list of questions and concerns was to be submitted to the Cabinet Member and officers to assist their preparation for this meeting.

### **Meeting 6 – Recap of key decisions and outstanding concerns – 29 February 2016**

This meeting was arranged to address the questions that arose in meeting 5 with regard to the functionality of the transport interchange. Cllr Rod McKerlich wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Note Member reservations that modal shift from private to public transport, together with Cardiff's population growth, will be higher than has been estimated, putting unanticipated pressure on the capacity of the transport interchange.
- Note Members reservations with regard to dynamic stand allocation, given that it is an unproven system that has not been widely adopted across the UK
- welcomed the traffic flow model demonstration, showing traffic flow through the interchange
- Note the ongoing commitment to work with bus and coach operators
- Note concerns at the loss of the Wood Street NCP Car Park
- Note slight reservations with regard to air quality and pollution in this development.

Members of the Inquiry did not anticipate requiring any further meetings of this task and finish inquiry following this meeting, stating their confidence that the detailed proposals and plans will be subject to rigorous testing via Planning Committee and Cabinet.

## Community Infrastructure Levy – Task & Finish Inquiry

---

Between November 2015 and February 2016 the Committee contributed to a joint Task & Finish inquiry in partnership with all four other scrutiny committees. The scope of the inquiry was to consider options for introducing a Community Infrastructure Levy (CIL) in Cardiff and examined seven key elements :

- Community Infrastructure Levy - Strategy
- Proposed Cardiff Community Infrastructure Levy Rates
- Recent Legislative Change & Developer Contributions
- Community Infrastructure Levy – Regulations 123 List
- Community Infrastructure Levy – Administration
- Community Infrastructure Levy – 15% Community Council Funding Allocation
- Community Infrastructure Levy – General Information

In reviewing the various options the group drew upon a number of information sources including witnesses from other local authorities; the construction industry; officers from Cardiff Council's Planning Service; Elected Members; a Scrutiny Research report and external planning consultants. From this body of evidence the Members drew key findings and twelve recommendations. The three core recommendations proposed:

- a zonal approach appeared to be the best way forward for the city. Members felt that Cardiff should be split into three distinct zones, these were 1) Strategic Sites; 2) Residential Inner Zone, and 3) Residential Outer Zone; that the Strategic Sites should be exempt of CIL and that the Residential Inner Zone should have a higher CIL than the Residential Outer Zone.
- the Residential Inner Zone and Residential Outer Zone should be supported by a Community Infrastructure Levy variation tool which relates the contribution percentage to the number of units in the development, i.e. the larger the development the lower the CIL rate.
- the rates provided in Cardiff's preliminary Draft Charging Schedule were high when compared to other local authorities who had, or were in the process of adopting the

Community Infrastructure Levy. The report recommended that the complete schedule of rates should be reviewed in advance of the publication of the Draft Charging Schedule in spring 2016.

The draft inquiry report was agreed by the Policy Review & Performance Scrutiny Committee (on behalf of all scrutiny Committees') on the 12 April 2016. Subject to one small amendment the twelve recommendations were accepted. A copy of the report has been forwarded to the Cabinet Member for Transport, Planning & Sustainability so that it can inform the Community Infrastructure Levy report which is programmed for Cabinet consideration in June 2016.



## Cardiff Central Market and Historic Arcades – Cabinet Response

---

Commencing as part of the Economy & Culture 2013-14 work programme, and being completed as part of the 2014-15 work programme, the Committee undertook an Inquiry focused on Cardiff Central Market and the historic arcades in the city centre. It built upon the findings of the 'Small Business' Inquiry published in January 2014 and the 'Higher Education Innovation in Cardiff' short scrutiny published in November 2013.

The report for this Inquiry was received at the December 2014 Cabinet meeting and made 17 recommendations. These recommendations focussed on the Council developing a vision, business plan and performance framework for Cardiff Central Market, aimed at resolving ongoing disputes, increasing dialogue with traders, addressing maintenance issues and working practices within the market. The Inquiry recommendations also looked to resolve perceived footfall issues near the castle, review information on way finders and explore the potential to support a local currency.

In April 2015 the Cabinet published its response to the Committee's report and recommendations, eleven of which were accepted, five partially accepted and one (in relation to exploring parking options within the city centre) was not accepted. It was agreed that an update be brought to the Committee in May 2016, giving time for the recommended actions to be implemented and start to drive improvements.

Key changes and improvements Members noted are:

- A new post of Estate Management officer has been created with overall responsibility for the management of the Market
- Significant efforts have been made to improve relations with market tenants and representative groups
- Tenancy agreements have been developed and soon to be issued to all tenants
- Day to day operational practices have improved, including the enforcement of blue line' demarcation indicating stall boundaries, a greener waste approach has been introduced, and underhand use of the market is being tackled.
- Branding has been improved on the exterior of the market and surrounding area.

- A long term vision for the market has been developed, with a view to introduce a more diverse and up market offer within Central Market. This may also include changes to opening hours and days of trading.
- Cardiff Central Market is now covered by the city centre free-Wi-Fi

It was suggested to the Committee that these improvements and changes are already having an impact in the Market, with tenants indicating an increase in profits of approximately 10%, and waste costs down by a third.

Members have undertaken a significant amount of pre-decision scrutiny and policy development work in respect of Cardiff's economy and the arts in Cardiff. Details of some of these are provided below; a full list of the topics covered is provided earlier on pages 5 and 6.

### **Cardiff Capital Region City Deal**

---

Cardiff Capital Region City Deal represents a £1.2 billion investment aimed at improving infrastructure, public transport and driving economic growth across the region. The Committee has considered two items on the Cardiff Capital Region City Deal as part of the 2015/16 work programme. In December 2015, Members received an update on the proposals submitted to the UK Government, and in March 2016 Members were informed of the deal that had been agreed by the 10 Leaders of the local authorities in the Cardiff Capital Region, the UK Government and Welsh Government.

Following the December meeting, Members noted; the significant role the Leader and officers had played driving this forward within a relatively short timeframe; noted that specific projects were yet to be decided and would be prioritised based on their Gross Value Added and impact on worklessness; concerns with the level of funding that will be allocated to the Metro, stating that money must also be made available for other projects.

In March 2016, Members heard how the £1.2 billion would be split across the Metro and other priorities and heard that the financial responsibility of the Council was far lower than originally anticipated. Members welcomed this news and noted that requests had been made for greater financial flexibility including the devolution of business rate income. Members also noted that GVA was no longer a requirement of projects, but would still be used in the evaluation process. These projects are to be developed in the coming months and a scrutiny item will be scheduled as part of the 2016/17 work programme.

## **Cardiff Business Council**

---

In April 2015 it was confirmed that the Council would undertake a review of Cardiff Business Council to ensure the approach is best aligned to deliver its city promotion remit in addition to supporting the delivery of a City Deal. This Committee recognised the need for a body in place that could work on a wider geographic area than the City of Cardiff, but were uncertain on whether a review was appropriate only a year and a half of the organisation's establishment, a relatively short time to reassess performance and remit.

In June 2015, the Leader confirmed that the Committee would have the opportunity to scrutinise the results of this review.

The Committee was presented the Review results in October 2015. Members were pleased with the principles being emphasised for the organisation to represent the interests of the Cardiff City Region, namely one that allows businesses to shape local policy decisions and helps attract inward investment through marketing and promotion.

Members recognised the benefits that Cardiff Business Council has delivered for the City and their preference, as stated a letter to the Leader was not be the creation of a new 'Leadership Board' but rather the transformation of Cardiff Business Council into a regional body. Concerns were raised by the Committee with regard to the scope of the review and the scale of interviewing undertaken, given the importance of the decisions being proposed for Cabinet.

## **Business Improvement District**

---

The Economy and Culture Scrutiny Committee recommended the Council considered developing one or more Business Improvement districts in Cardiff as part of a Small Business Task and Finish Inquiry in January 2014. Members had the opportunity monitor the progress in developing a Business Improvement District (BID) in Cardiff at their September 2015 meeting.

Members were able to recognise the tangible benefits of a Cardiff Business Improvement District (BID), such as reductions in crime, positive press coverage and media campaigns,

savings secured through joint procurement and increases in footfall. As a Committee, Members indicated they were supportive of this work and hoped a vote in favour of the introduction of a BID in Cardiff is achieved. The Committee did, however, raise concerns with regard to the impact on businesses outside the BID area and the Council's ability to promote Cardiff Bay events within the city centre.

The Committee considered the Business Improvement District a second time at their May 2016 meeting. Members noted that residents will not have formal representation on the BID board, but that efforts will be made to establish links with resident groups and local Councillors. Members also noted a substantial amount of money had been allocated to night-time initiatives, which was seen as a positive step toward addressing the issues experienced in the city centre at night.

## **Cardiff Tourism Strategy and Action Plan**

---

Members reviewed the first year's achievements of the Cardiff Tourism Strategy and Action Plan: 2015 – 2020 at their March 2016 meeting. This centres on an ambition to double the value of overnight tourism in commercial accommodation by 2020 – an ambition that the Committee welcomes. However Members have reservations that there is no set detail on how this will be achieved and had the impression that this outcome is hoped for through various projects, rather than an outcome the projects are targeted to achieve

Members noted that throughout the strategy, Cardiff Business Council is noted as a lead or partner organisation – however it has now ceased to operate. Members requested clarification that this work will be picked up by the new Cardiff Capital Region Business Organisation. Members recommended that those organisations benefiting most from a boost in tourism, such as hoteliers and restaurateurs, be encouraged to help fund the various projects.

## **Arts Council of Wales (the Potential of the Arts in Cardiff)**

---

In setting the 2015/16 work programme, the Committee invited ideas from external stakeholders. The Arts Council of Wales suggested the following be considered "The

potential of the Arts in Cardiff to promote city regeneration and the well being of citizens". Sian Tomos, Director of Enterprise and Regeneration, David Alston, Director of Arts and Lisa Matthews, Portfolio Manager were invited from the Arts Council of Wales to discuss this topic at the October 2015 meeting.

Members heard about the benefits a vibrant arts community can deliver for a city such as Cardiff, and that the Arts Council is involved in many projects that match the services provided by the Council. Members wrote to the Leader to recommend that dialogue be commenced to discuss opportunities for Cardiff Council and the Arts Council of Wales to work in partnership. In reply the Leader recognised the benefits a vibrant arts scene can deliver, and indicated he would indeed be contacting the Arts Council of Wales to offer to schedule a meeting.

## **Roath Library**

---

In November 2014, Roath Library was closed due to health and safety reasons. At its July 2015 meeting, the Committee undertook pre-decision scrutiny of the proposals for the future of the library. At this meeting Members also heard from the Save Roath Library interest group.

Members noted that the proposals in the first instance were to seek to retain delivery of library services within the building through a Community Asset Transfer solution.

The Committee expressed its disappointment to the Cabinet Member in the information provided to the local community, and misleading signage placed on the Library. Members requested that changes were made to the Cabinet report to reflect the Section 106 money available in Adamsdown, to capture the two petitions with over 1000 signatories, and to reflect within the equality impact assessment that Roath Library serves areas of the city which are in the bottom quartile of the Index of Multiple Deprivation.

The Cabinet report was updated to reflect these comments. At the time of writing, a permanent solution for Roath Library has not been secured.

## CORPORATE PLAN & BUDGET

At its February 2016 meeting the Committee considered the Council's draft Corporate Plan and draft budgetary proposals for 2016 – 17.

With regard to the *Changes for Cardiff* consultation, Members noted concern at the relatively low levels of participation seen in the Cardiff East and City and Cardiff South Neighbourhood Areas, and recommended that a weighting mechanism is introduced in future years. Members noted the vagueness of some of the wording used within the consultation, and recommended that in future a sample group of the public, or external organisation, is asked to assist in proofing the document.

With regard to the budget, Members:

- Noted their pleasure that a number of proposals in relation to Arts and Culture in Cardiff were removed from the budget taken to Cabinet;
- Questioned the inclusion of a £4million Invest to Save Bid for Leisure Centres within the Capital Programme;
- Stressed that the Council cannot afford for the Alternative Delivery Models for Leisure and Arts to slip from scheduled delivery this financial year;
- Questioned whether the Alternative Delivery Model projects have been overly cautious, or lacked the strategic vision at the outset; and
- Noted satisfaction in the manner in which the Hub Strategy has been delivered over recent years, and welcomed the continued rollout of this approach within the 2016/17 budget.

Members noted that the process of the Budget consultation has made it clear that there is a vast, active and passionate arts community within Cardiff. The Committee hoped that the conversations initiated as part of the consultation can be built upon, establishing genuine relationships between the Council and the city's arts community.

# MONITORING PERFORMANCE AND PROGRESS

## Quarterly Performance Reports

---

Scrutiny Committees are responsible for scrutinising performance, thereby facilitating challenge and public discussion which should help to drive improvement of the services provided. This Committee has reviewed performance of the following Directorates each quarter – Economic Development (ECD); City Operations (CO); Communities, Housing and Customer Services (Libraries and Adult Community Learning elements) [CHC].

In setting the Committee's 2015/16 work programme, Members agreed to trial a new approach to scrutinising performance. The agreed approach was for the Chair of the Committee to review Quarterly Performance Reports with the Principal Scrutiny Officer and, based on areas of interest or concern, identify which directors and Cabinet Members to invite to present to the full Committee. Where a Directorate was not selected to present to a particular Committee Meeting, Members requested a written summary of certain projects or aspects of a Directorate's work. The full set of quarterly corporate performance reports for each Directorate was still provided within papers for Members' consideration.

Below is a summary of the key areas picked up through performance monitoring quarterly reports (the relevant directorate is notes in brackets):

- Progress with the Coal Exchange (ECD).
- Progress with the Multipurpose Arena (ECD).
- The potential for a Civic Centre Heritage Quarter (ECD).
- Procurement exercises for Arts Venues (ECD) and Leisure Facilities (CO) and delays to the achievement of savings.
- Levels of Agency overspend.
- Members challenged the appropriateness of indicators across all Directorates reviewed as they appear to be easily achieved.

In setting the 2016/17 work programme, the Committee will review the approach taken to Quarterly Performance for 2015/16, its robustness and the quality of scrutiny it provided, and agree an approach to be taken for the future.



## **Allotments Strategy Interim Review (2014-17)**

---

Members reviewed the aims, objectives and progress made with regard to the Allotment Strategy Interim Plan 2014-2017 Action Plan and their July 2015 meeting. Officers were joined by Cllr Gareth Holden, Member Champion for Community Food Growing, and Alan McCoy, Chairman of Cardiff Allotment Holders' Association (CAHA).

Members noted a key action completed was the development of a Local Management Agreement, allowing Site Associations to take on some of the management responsibilities for their site in return for a financial grant. Members explored issues such as accessibility, plot size and waiting lists and were pleased these issues were being addressed by the Council. The Committee also recognised the key role of the Member Champion for Community Food Growing in driving these improvements.

## **Welsh Public Library Standards 5th Framework**

---

CyMAL's evaluation of Cardiff's Library Service performance for 2014/15 was received by the Committee in November 2015, it showed that Cardiff met 17 of the 18 core entitlements in full, partially meeting the remaining one, and of the seven quality performance indicators which have targets, Cardiff achieved four in full, two in part and failed to achieve one. Strengths were identified in community engagement and visitor levels, and the main areas of concern were the staffing and acquisitions budgets.

Members noted; the one core entitlement not fully met this year is being addressed and will be achieved next year; the achievements made in making superfast broadband widely available across Cardiff libraries; the inappropriateness of some measures and welcomed the news that discussions were ongoing with the minister in this respect; and noted the need for the framework to capture the more complex digital needs of citizens

The Cabinet Member wrote to the Committee to note that its comments had been fed back at a seminar at the Museum Archives and Libraries Division Headquarters.

## **Adult Community Learning 14/15 Performance**

---

The Welsh Government produces annual performance information to review the success rates for Adult Community Learning. The information covers courses provided through Learning for Work, Learning for Adults with Additional Needs (Disability Inclusion in Community Education) and elements of Into Work Services.

Members were pleased to note that Cardiff Council individually, and the Cardiff and Vale Community Learning Partnership (CVCLP) collectively is achieving success over the set targets – a 27% improvement in two years.

Members requested changes to the figures presented in future, enabling them to understand the picture more clearly and more effectively scrutinise performance – a request that was accepted by the Cabinet Member.

## **Summer Reading Challenge**

---

The Committee undertook an item to monitor the performance of Cardiff in delivering the Summer Reading Challenge at its January 2016 meeting. Members are glad the Council is committed to this initiative that encourages young and old to visit libraries and gain confidence in reading and story telling. Members noted that the ambitious target of a 70% completion rate was missed, but that the 64% rate achieved was well above the Welsh average. This target would be repeated for 2016 and Members welcome the aspiration being shown by officers.

In view of this target, the Committee recommended that elected Members be involved to promote the challenge, particularly given their role as school governors. This suggestion was welcomed by the Cabinet Member who indicated that Elected Members will be formally included in promotional activities for future years of the challenge.

## WORK PROGRAMME FOR 2016 - 17

Members of the Committee will soon be invited to consider items for possible inclusion in the Committee's work programme during 2016-17. Work is currently in progress to draw together issues for the new Committee to consider. A draft work programme will then be developed and brought to Committee for approval and implementation. The Committee will welcome suggestions for scrutiny items from other Members.

## FUTURE SCRUTINY WORK

Over the course of its deliberations this year, the Committee has recommended that the following items be considered for inclusion in the Committee's 2016-17 work programme:

- ❖ Cardiff Capital Region City Deal
- ❖ Civic Centre Heritage Quarter
- ❖ Coal Exchange and Mount Stuart Square Heritage Quarter
- ❖ Alternative Delivery Model – Leisure
- ❖ Alternative Delivery Model – Arts
- ❖ Sports Facilities Strategic Framework
- ❖ Flat Holm Island Partnership
- ❖ Adult Community Learning (performance and cost recovery model)
- ❖ Multipurpose Arena
- ❖ Tourism Strategy and Action Plan Update
- ❖ City Twinning
- ❖ Summer Reading Challenge Performance Reports.
- ❖ Savings Reports.
- ❖ Relevant Audit, Inspection and Regulatory Reports. Cabinet Responses to previous Inquiries, and implementation of agreed recommendations from previous Inquiries.

Scrutiny Services, City and County of Cardiff Council  
Room 263, County Hall, Atlantic Wharf, Cardiff CF10 4UW.  
Tel: 029 2087 2953 Email: [scrutinyviewpoints@cardiff.gov.uk](mailto:scrutinyviewpoints@cardiff.gov.uk)  
© 2016 The City & County of Cardiff

scrutiny



---

# A Report of: Environmental Scrutiny Committee

## Annual Report 2015 – 2016

May 2016



City & County of Cardiff Council

## ENVIRONMENTAL SCRUTINY COMMITTEE MEMBERSHIP



Councillor Paul Mitchell  
(Chairperson)



Councillor Gareth Aubrey



Councillor Elizabeth Clark



Councillor Chris Davis



Councillor Gavin Hill - John



Councillor Keith Jones



Councillor Chris Lomax



Councillor Susan White



Councillor Darren Williams

\* Councillor Ralph Cook was Chair of the Environmental Scrutiny Committee until the end of June 2015 . His successor was Councillor Paul Mitchell who was formally appointed as the Chair of the Committee in September 2015.

## CHAIR'S FOREWORD

2015/16 has been another very busy year for the Environmental Scrutiny Committee. The ongoing budgetary reductions have continued to place pressures on service delivery throughout the organisation and within its terms of reference the Environmental Scrutiny Committee has done its best to review, comment on and support a wide range of Council proposals.

During the year we looked at a wide range of issues, for example, the Recycling & Waste Restricting Programme; Litter Management & Enforcement in Cardiff; Cardiff's Parking Strategy; the Planning Service; Cardiff's Energy Prospectus; the 2016/17 Budget & Corporate Plan; a series of Quarterly Performance Reports and the Neighbourhood Services Project. These examples are important services which have a significant impact on all the residents of our city.

In particular I would like to highlight two areas of work which I believe have contributed to the development of the Council; the review of the Infrastructure Services Project and the Community Infrastructure Levy task & finish exercise.

The Infrastructure Services project (in conjunction with the Policy Review & Performance Scrutiny Committee) received briefings, reviewed the Outline Business Case and assessed the Full Business Case for this vitally important project. I believe that at least some of our observations and recommendations have supported the development of this project and hope that these will contribute to achieving significant improvements over the next twelve months. Naturally, the Committee will continue to scrutinise the implementation of the modified in house model in the year ahead.

Scrutiny of the Community Infrastructure Levy involved a cross committee task & finish exercise which considered the range of options for implementing this vitally important developer contribution across Cardiff. As a group we explored the growth options facing the city and how vital infrastructure could

be funded in future. In doing this we spoke to a wide range of witnesses, commissioned a very extensive piece of research and worked closely with the Cabinet Member and officers from the Planning Service. I am pleased to say that our work was welcomed by the Cabinet and I am confident that our key findings and recommendations will feature heavily in the Council's future strategy for implementing the Community Infrastructure Levy.

As one municipal year ends and another begins I would like to thank all of the Members and officers who have supported the Environmental Scrutiny Committee in 2015/16. I look forward to working with many of you again in 2016/17 when we will revisit old priorities like the Infrastructure Services Project and explore exciting new challenges such as the 'Restore Our Rivers' collaborative task & finish exercise.



**Councillor Paul Mitchell, Chairperson  
Environmental Scrutiny Committee  
May 2016**



## INTRODUCTION

The Environmental Scrutiny Committee plays an important role in assessing service performance and informing service policy development across a range of Council services, including all aspects of transport, sustainability, and waste. This report presents the Committee's main activities during 2015/16. Between June 2015 and May 2016 the Committee scrutinised the following topics:

- **Inquiries** – Where the Committee had undertaken an examination of a topic over a period of time, resulting in a formal report to the Cabinet. During 2015/16 examples included:
  - Community Infrastructure Levy – Joint Committee – Task & Finish Report;
  - Management of Section 106 Funding for the Development of Community Projects;
  - Cardiff Central Transport Hub.
- **Pre Decision Scrutiny** – This provides the Committee with an opportunity to evaluate and comment on policy proposals before they go to the Council's Cabinet. This gives the Cabinet the opportunity to know Scrutiny Members' views prior to making their decision. During 2015/16 examples included:
  - Household Waste Recycling Centres – Proposed Changes;
  - Joint Scrutiny - Pre decision of the draft Cabinet report titled 'Infrastructure Services – Alternative Delivery Model' prior to it being considered at the Cabinet meeting on Thursday 16th July;
  - Draft Parking Strategy;
  - Litter Management & Enforcement in Cardiff;
  - Draft Corporate Plan 2016 – 2018 & 2016/17 Draft Budget Proposals.

- **Performance Monitoring** – Where the Committee has undertaken monitoring of the Council's performance. During 2015/16 examples included:
  - Draft City Operations Directorate Delivery Plan 2015/16;
  - Draft City Operations Directorate Delivery Plan 2016/17;
  - City Operations – Quarterly Performance Monitoring 2015/16 – Quarters 1, 2, 3 & 4;
  - Recycling & Waste Restricting Programme – Update on Implementation of Phase 1;
  - Joint Scrutiny - Shared Regulatory Service – Implementation & Future Proposals;
  - Infrastructure Services – Full Business Case Strategy Briefing.
  
- **Briefing Information** – Where the Committee receives information on a specific subject which has environmental implications to the Council and the City. During 2015/16 examples included:
  - Members Update: Council Energy Projects & Proposals for the Route to Market;
  - Implications of the Well-being of Future Generations (Wales) Act 2015;
  - Modified In House – Neighbourhood Services Project;
  - Cardiff's Future Waste Facilities – Member Update;
  - Cardiff's Commercial Waste Collection Service;
  - River Pollution in Cardiff.
  
- **Call In Meeting** - Where the Committee receives information on a specific subject which has environmental implications to the Council and the City. During 2015/16 examples included:
  - Infrastructure Services – Alternative Delivery Models – Consideration of Called In Cabinet Decision CAB/15/24;
  - New Household Waste Recycling Centre and Re Use Facility – Consideration of Called – In Cabinet Decision CAB/15/25.

This report presents the highlights of the Committee's activities during 2015/16.

Over the year the Scrutiny Committee held 14 committee meetings and wrote 30 letters to the Cabinet, officers and external partners, sharing their comments/ recommendations and concerns following the scrutiny of items at committee meetings.

This included four joint meetings; one with the Community & Adult Services Scrutiny Committee in order to carry out policy development and review scrutiny of the Shared Regulatory Service, and three joint meetings with the Policy Review & Performance Scrutiny Committee, in order to consider the 'Infrastructure Services – Alternative Delivery Model'.

Members have attended a number of other scrutiny events including: work programming meetings; pre-meetings prior to Committee; task and finish group meetings; and a workshop focusing on the role of scrutiny in a changing landscape.

## INQUIRIES

### **Community Infrastructure Levy – Joint Committee Task & Finish**

---

This Joint Committee Task & Finish Exercise was undertaken in partnership with the Children & Young People Scrutiny Committee; the Community & Adult Services Scrutiny Committee; the Economy & Culture Scrutiny Committee; the Environmental Scrutiny Committee and the Policy Review & Performance Scrutiny Committee. The inquiry ran from November 2015 to February 2016 and considered the options for introducing a Community Infrastructure Levy (CIL) to Cardiff. The scrutiny exercise summarised the review into seven key elements, these were:

- Community Infrastructure Levy – Strategy;
- Proposed Cardiff Community Infrastructure Levy Rates;
- Recent Legislative Change & Developer Contributions;
- Community Infrastructure Levy – Regulations 123 List;
- Community Infrastructure Levy – Administration;
- Community Infrastructure Levy – 15% Community Council Funding Allocation;
- Community Infrastructure Levy – General Information.

In reviewing the various options the group drew upon a number of information sources including witnesses from other local authorities; the construction industry; officers from Cardiff Council's Planning Service; Elected Members; a Scrutiny Research report and external planning consultants. From this body of

evidence the Members drew key findings and the twelve recommendations.

The main recommendations were:

- That a zonal approach seemed to be the best way forward for the city. It was felt that Cardiff should be split into three distinct zones, these were 1) Strategic Sites; 2) Residential Inner Zone, and 3) Residential Outer Zone. Members recommended that the Strategic Sites should be exempt of CIL and that the Residential Inner Zone should have a higher CIL than the Residential Outer Zone.
- That the Residential Inner Zone and Residential Outer Zone should be supported by a Community Infrastructure Levy variation tool which relates the contribution percentage to the number of units in the development, i.e. the larger the development the lower the CIL rate.
- That the rates provided in Cardiff's preliminary Draft Charging Schedule were high when compared to other local authorities who had or were in the process of adopting the Community Infrastructure Levy. The report recommended that the complete schedule of rates should be reviewed in advance of the publication of the Draft Charging Schedule in spring 2016.

The draft inquiry report was received by the Policy Review & Performance Scrutiny Committee (on behalf of the other Committees') on the 12 April 2016. Subject to one small amendment the twelve recommendations were accepted. A copy of the report has been sent to the Cabinet Member for Transport, Planning & Sustainability so that it can inform the Community Infrastructure Levy report which is due at Cabinet in June 2016.

## **Cardiff Central Transport Hub**

---

As part of their 2014-15 work programmes, the Environmental and Economy and Culture Scrutiny Committees agreed to establish a joint task and finish inquiry focussed on arrangements for the new Central Transportation Hub. It was agreed that the Economy and Culture Scrutiny Committee would take the lead on this work, given the existing commitments of the Environmental Scrutiny Committee.

In 2014/15, given the tight timescales prior to a Cabinet decision it was deemed unlikely that Scrutiny could provide the full rigour of a task and finish Inquiry within the time available. As such, it was agreed that a series of individual meetings on specific themes would be arranged, with letters and recommendations submitted following each meeting.

Three meetings of this inquiry were held as part of the 2014-15 work programme, and a further three meetings have been held this year as part of the 2015-16 work programme. A summary of each meeting and the correspondence between the Inquiry Members and Cabinet Member is given below.

### **Meeting 4 – Concept Design – 23 June 2015**

This meeting considered an outline of the preferred design for Cardiff Transport Interchange and an overview of the engagement work that will be undertaken to develop the final detailed design. Cllr Ralph Cook, as Chair of the Environmental Scrutiny Committee wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Request that the new Cardiff Transport Interchange should include a dedicated area for storing luggage.
- Note the current bus station capacity is 73 buses an hour and that the new Cardiff Transport Interchange will have 14 stands and could accommodate an average of 112 buses per hour.

- Seek assurances that the smaller footprint of the new bus station will be able to cope with the increased volume to ensure that safe and smooth bus operation can take place.
- Seek assurances about the impact on safety beyond the curtilage of the development; in particular that the immediate roads will be able to cope with the greater volume of bus traffic given the higher number of buses entering and leaving the new bus station.
- Note that the smaller bus station foot print and the higher bus transfer rate means that in future there will be little if any opportunity for bus layover. Members requested that major bus providers are liaised with to find out what provision they have for alternative layover locations and share this with the task group.
- Question cost implications of the new transport interchange proposals. Members requested information on the level of funding to be placed into the new transport interchange as a result of developer contributions, for example, section 106 contributions from the new BBC building, etc..
- Raise concerns about the apparent reduction in drop off and pick up locations to the north of the development, creating difficulties for people trying to access the transport interchange. The task group sought reassurance that there is a strong commitment to properly manage all drop off and pick up areas in future with regular enforcement action being taken where appropriate.
- The response received from the Cabinet Member stated that:
  - Give assurances that luggage storage area will be included in the specification for detailed design.
  - Give assurances that the design of the new facility will provide sufficient space to enable safe reversing manoeuvres to be carried out.

- State that It is impossible to predict the percentage of bus services that will use the new interchange and to confirm that there will be some layover spaces provided, ,but fewer than in the current bus station.
- To recognise the importance of management of pick up and drop off drop off areas to provide efficient use of the available space.
- To confirm that anticipated completion date is December 2017, but to state that this is a complex project which is inextricably linked with other Central Square developments.

### **Meeting 5 – Public Consultation and Costing Options - 25 November 2015**

The areas covered during the meeting included an update on the overarching Central Square Scheme, feedback on public engagement undertaken, the timeline and key decision points for the developments and estimated costs and funding options for the new bus interchange. Cllr Rod McKerlich, as Chair of the Economy & Culture Scrutiny Committee wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Highlight three main requirements for the delivery of a new Transport Interchange in the city centre. The new building must be a financially sound arrangement for the Council, be visually attractive and its functionality must meet the demands of a growing capital city. Members noted from the meeting that work was underway to ensure the first two of these requirements is met.
- Note particular concerns with the functionality of the new interchange (while accepting this was not the focus of the meeting). Concerns included traffic projections and models, capacity estimates, pollution modelling and future phases of the Central Square development.
- Note the confidence that the bus station will be delivered on schedule and will be operational by December 2017 –Members were pleased that the



delay in the signing of the BBC deal at Central Square has no impact on the timeline associated with the transport interchange development.

- Give support to the request for Cabinet to grant authority for spend on enabling works and authority to further explore funding options for the transport interchange building.
- It was agreed at this meeting, that officers would meet with Members in the future to discuss the range of issues Members of the inquiry raised, particularly with regard to the functionality of the Transport Interchange. A list of questions and concerns was to be submitted to the Cabinet Member and officers to assist their preparation for this meeting.

### **Meeting 6 – Recap of key decisions and outstanding concerns – 29 February 2016**

This meeting was arranged to address the questions that arose in meeting 5 with regard to the functionality of the transport interchange. Cllr Rod McKerlich wrote to the Cabinet Member - Transport, Planning & Sustainability to:

- Note Member reservations that modal shift from private to public transport, together with Cardiff's population growth, will be higher than has been estimated, putting unanticipated pressure on the capacity of the transport interchange.
- Note Members reservations with regard to dynamic stand allocation, given that it is an unproven system that has not been widely adopted across the UK.
- Welcomed the traffic flow model demonstration, showing traffic flow through the interchange.
- Note the ongoing commitment to work with bus and coach operators.
- Note concerns at the loss of the Wood Street NCP Car Park.

- Note slight reservations with regard to air quality and pollution in this development.
- Members of the Inquiry did not anticipate requiring any further meetings of this task and finish inquiry following this meeting, stating their confidence that the detailed proposals and plans will be subject to rigorous testing via Planning Committee and Cabinet.

## **Management of Section 106 Funding for the Development of Community Projects**

---

This Environmental Scrutiny Committee inquiry started in late February 2016 and is due to finish in June 2016. It is looking to evaluate the process involved around the use of Section 106 contributions (and other relevant planning obligations) in the development of community projects.

In particular it will focus on the regulations governing the types of projects that can be funded; how Section 106 contributions (and other planning obligations) are managed; the consultation and engagement which takes place between councillors, officers and the public; the impact of the Community Infrastructure Levy Regulations on the Section 106 funding process; how community projects are identified through the Section 106 process and consider examples of good practice in this area.

## PRE DECISION

### **Household Waste Recycling Centres – Proposed Changes**

The meeting on 9 June 2015 provided the Committee with the opportunity to scrutinise and comment on an item titled 'Household Waste Recycling Centres – Proposed Changes'. Cabinet Member Councillor Bob Derbyshire was invited to the meeting and was supported by officers from the newly formed City Operations Directorate. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Environment. The key points made in the letter were:

- Member opinion was split on the two main options for providing Household Waste Recycling Centres in Cardiff, i.e. to build a new site at Lamby Way or instead focus on the development of the Wedal Road site. Some felt that Lamby Way was a better option as it is based in an existing industrial area, while others felt that the Wedal Road site was in a more convenient location for many parts of the north of the city.
- The presentation provided a list of distances from various parts of the north of the city to the Lamby Way and Wedal Road sites. Members were not convinced that these were accurate; in particular they queried the travelling times quoted. They asked the officers to review the information and provide the Committee with a set of revised figures.

## **Joint pre decision scrutiny of the draft Cabinet report titled ‘Infrastructure Services – Alternative Delivery Model’ prior to it being considered at the Cabinet meeting on Thursday 16th July**

---

A joint meeting between the Environmental Scrutiny Committee and the Policy Review & Performance Scrutiny Committee on the 9 July 2015 provided the Committee with the opportunity to scrutinise and comment on the outline business case proposals for the ‘Infrastructure Services – Alternative Delivery Model’. The Leader; the Cabinet Member for the Environment; the Cabinet Member for Transport, Planning & Sustainability and Cabinet Member for Corporate Services & Performance were invited to the meeting. They were supported by officers from the City Operations Directorate and Resources Directorate. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Environment. The key points made in the letter were:

- Members noted that important pieces of information were missing from Appendix 11 – Infrastructure Services Alternative Delivery Models: Outline Business Case – July 2015. This was considered to be one of the most crucial parts of the whole Outline Business Case as it scored each of the fourteen services against the five alternative delivery models. Once provided it was very interesting to see that for the most part the outcome of the Corporate Evaluation Methodology was completely different to the recommendation in the Cabinet paper, i.e. to take the Wholly Owned Arms Length Company forward as the option for developing a Full Business Case. Members were confused that the outcome of the Corporate Evaluation Methodology and joint scrutiny report were very similar yet cast aside in favour of a Wholly Owned Arms Length Company. The Committee asked for an explanation as to why this was the case.
- Members were concerned at some of the assumptions made in Appendix 3 – High Level Financial Analysis Assumptions of the Outline Business

Case. They noted that after applying efficiency savings and net income generation assumptions the model illustrated that Public / Private Joint Venture was in first place, Public / Public Joint Venture in second and Teckal (Wholly Owned Arms Length Company) came in third. The assumptions in the overheads and support services sections concluded that many fixed corporate services costs could not be removed from the Council, therefore, had to remain in addition to any third party overheads associated in working with a Public / Public Joint Venture, Public / Private Joint Venture and Outsourcing. This in effect handicapped the three models by £6.644 million; £6.257 million and £3.818 million respectively.

- Members were concerned that the Service Improvement Plans were not available for consideration alongside the Outline Business Case despite them forming a large part of the basis of the £4.053 million in house savings for the period 2015/16 to 2017/18. The Committee were informed that the documents were not available as full consultation of the proposals had not been undertaken. As a consequence they were very concerned at the assumption that the savings would be achieved by both the In House model and the Wholly Owned Arms Length Company. They felt that the saving should not be included within the Outline Business Case as they lacked substance and detail.
  
- Members asked for details on the predicated changes to employee terms and conditions as a result of a transfer to a Wholly Owned Arms Length Company, i.e. would they change or stay the same. In addition to this they asked for clarification on how TUPE protection would be applied to employees transferring to the new Wholly Owned Arms Length Company and if such a structure would prevent multi tier employee terms and conditions being applied.

## Draft Parking Strategy

---

The meeting on 15 September 2015 provided the Committee with the opportunity to scrutinise and comment on an item titled 'Draft Parking Strategy'. The Cabinet Member for Transport, Planning & Sustainability was invited to the meeting and was supported by officers from the City Operations Directorate. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for Transport, Planning & Sustainability. The key points made in the letter were:

- Members felt that it was a good time to raise the issue of parking buffer zones with local communities who might benefit from the proposal. They offered support to this process should the Cabinet Member for Transport, Planning & Sustainability wish to start consultation with local communities.
- Members were comfortable with the idea of relaxing the survey requirements for the creation or extension of residential parking schemes; however, they stressed the importance of involving Members in the development of the criteria through vehicles like the focus groups. In addition to this they suggested that Member briefing sessions on any new residential parking scheme proposals would be essential.
- The Chair asked the Cabinet Member for Transport, Planning & Sustainability to approach Cardiff Bus to see if the back of bus tickets could be used to offer promotions for businesses based in Cardiff. He felt that this approach would provide an additional incentive for people to use the bus and hopefully encourage modal transfer.
- The Committee noted the positive response to the Environmental Scrutiny Committee report titled 'Problem & Nuisance Parking in Cardiff'. They were pleased to see that many of the recommendations had already been implemented and that it had made a positive contribution to the development of Cardiff's Draft Parking Strategy.

## Litter Management & Enforcement in Cardiff

---

The meeting on 10 November 2015 provided the Committee with the opportunity to scrutinise and comment on an item titled 'Litter Management & Enforcement in Cardiff'. The Cabinet Member for the Environment was invited to the meeting and was supported by officers from the City Operations Directorate. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Environment. The key points made in the letter were:

- Members recommended that if the Council were to commission a third party litter enforcement trial then the proposal should be thoroughly evaluated to ensure that all parties clearly understood what was expected of them. They also emphasised that all Members should be properly briefed on any new third party litter enforcement trial both before parties were invited to bid and prior to the scheme going live.
- After discussing sponsorship proposals the Committee referred the Cabinet Member for the Environment to the sponsorship section of the 2013/14 Environmental Scrutiny Committee task & finish exercise on 'Cardiff Outdoors' as it was felt that this would help the Cabinet Member develop and improve sponsorship across outdoor services.
- The Committee asked for a projected timeline for implementation of Community Protection Notices; Public Space Protection Orders; Improving the control of printed literature; getting Highways Services to issue fixed penalty notices and using third party litter enforcement partners.
- Members asked if it would be possible to record all skip permissions online so that they could be easily accessed by Members and the public.

## **Draft Corporate Plan 2016 – 2018, and 2016/17 Draft Budget Proposals**

---

The meeting on 16 February 2016 provided the Committee with the opportunity to scrutinise and comment on the 'Draft Corporate Plan 2016 – 2018 & 2016/17 Draft Budget Proposals'. The Cabinet Members for the Environment; Transport, Planning & Sustainability and Corporate Services & Performance were invited to the meeting. They were supported by officers from the City Operations and Resources Directorates.

Discussion prompted questions and comments which were put into three letters to the Cabinet Member for the Environment; the Cabinet Member for Transport, Planning & Sustainability and the Cabinet Member for Corporate Services & Performance. The key points made in the letters were:

- **Environment Portfolio**
- **Savings Line 13 – City Operations – New Operating Model for City Operations** - Members noted the £1.052 million saving allocated against the 'New Operating Model for City Operations'. They noted that much of the saving detail is to be built into the Alternative Delivery Model for Infrastructure Services which would be scrutinised by the Environmental and Policy Review & Performance Scrutiny Committees in May 2016.
- **Recycle & Reuse Facilities** – Members asked for a progress update on the introduction of new recycle and reuse facilities to Household Waste Recycling Centres in Cardiff. During the Way Forward a Member suggested taking this initiative a step further and starting a street reuse and recycle scheme in Cardiff; such a scheme would involve residents leaving unwanted items outside for collection on a specific day of the week which could be taken to a reuse and recycle facility to be rehomed.
- **Savings Line 42 – City Operations – Regulatory Collaboration** - The Community & Adult Services Scrutiny Committee reviewed the Regulatory



Collaboration saving of £310,000 at their budget scrutiny meeting on the 15<sup>th</sup> February. They concluded that *‘while there was confidence that the savings would be achieved, the risk analysis ratings would remain as Red/Amber as 30% of the saving is predicated on raising additional income and this may be more difficult to achieve in South Wales than has been the case in parts of England that have followed a similar approach to Regulatory Services’*. The Environmental Scrutiny Committee agreed with and reiterated the comment.

- **Transport, Planning & Sustainability Portfolio**

- **Savings Line 15 - City Operations – Building Control – Improve Business Process Efficiency** - Members were concerned at the £46,000 increase in income allocated against Building Control, particularly as they struggle to meet current demand. They asked for the Council to consider providing the service with additional funding.
- **Financial Pressures – Line 3 – Supplementary Planning Guidance -** Members welcome the £75,000 of financial pressures support offered for Supplementary Planning Guidance, however, they felt that this would only go a part of the way in addressing the Supplementary Planning Guidance demands created as a result of adopting a new Local Development Plan.
- **Savings Line 21 – City Operations – Increase Civil Parking Enforcement contribution to fund Transport / Environment improvements currently funded by base revenue budgets** - Members noted the increase in income of £360,000 and an overall saving of £370,000 against this budget line.
- **Financial Resilience Mechanism – Targeted Interventions for Potholes** - Members welcome the additional £320,000 allocated for addressing potholes in 2016/17; they asked that repairs are not simply ‘pothole patches’ and that instead the Council applies a ‘permanent reinstatement’ approach.

- **Corporate Services & Performance Portfolio** - Members noted the progress achieved in reducing sickness levels in the City Operations Directorate and that increased national insurance costs and complying with the living wage had created significant financial pressures. They also acknowledged that the Council's general and earmarked reserves were very low in comparison to the Council's overall budget and when compared to other neighbouring authorities.

## PERFORMANCE MONITORING

### **City Operations – Quarterly Performance Monitoring 2015/16**

During 2015/16 the Committee increased the frequency with which it received quarterly performance monitoring reports. This change occurred to support the wider performance improvement agenda being applied across the Council as a whole. In total the Committee received a City Operations – Quarterly Performance Report for quarter in 2015/16.

#### **City Operations – Quarter 1 Performance**

On 15 September 2015 Members considered an item titled City Operations – Quarter 1 Performance; this covered the period 1 April 2015 to 30 June 2015. After the item Members made the following comments relating to the Environment Portfolio and Transport, Planning & Sustainability Portfolio:

- Members asked for a copy of the mitigation plan which had been put in place by the City Operations Directorate to ensure that the 2015/16 budget challenges were properly managed. They also asked for a summary of the City Operations Directorate restructures and refreshes which were taking place at that time; this was to include a description of the actual restructure / refresh, the aims and objectives of the work and a delivery timeline.
- This request addressed the areas of responsibility of the Environment and Transport, Planning & Sustainability Portfolios.

## **City Operations – Quarter 2 Performance**

On 8 December 2015 Members considered an item titled City Operations – Quarter 2 Performance; this covered the period 1 July 2015 to 30 September 2015. After the item Members made the following comments relating to the Environment Portfolio and Transport, Planning & Sustainability Portfolio:

### **Environment Portfolio**

- An officer explained that the sickness absence process could be improved by changing the definition of a sickness absence period; such a change it was felt could reduce sickness absence. Members asked for details of this proposal.
- It was noted that the staff agency budget for City Operations had achieved 89% of the published annual budget by the end of month six. Members were concerned by this high level of spend and asked for assurance that this budget will be better managed during the second half of 2015/16 to help ensure that budget and performance targets were met.

### **Transport, Planning & Sustainability Portfolio**

- Members noted that PLA/004 (a) and (c) were again rated as red performance risks and considerably below target for 2015/16. They asked for detail on the mitigation measures put in place to improve performance and assurance that this work would help improve performance.
- After a discussion around the increased income into the parking revenue account from parking charges, civil parking enforcement and moving traffic offences Members asked for detail on the income and expenditure from the parking revenue account for 2014/15 and 2015/16 and a description of the scope of services which can now be funded from the parking revenue account under section 52 of the Traffic Management Act 2004.

- After consideration of THS/012 (percentage of principal (A) roads, non – principal (B) roads and non – principal (C) roads that are in overall poor condition) Members asked for a breakdown of the information by category (A), (B) and (C) road data down into three separate values for 2014/15 and 2015/16 year to date. This it was felt would help illustrate a clearer picture on the progressive state of Cardiff's roads.

## **City Operations – Quarter 3 Performance**

On 15 March 2016 Members considered an item titled City Operations – Quarter 3 Performance; this covered the period 1 October 2015 to 31 December 2015. After the item Members made the following comments relating to the Environment Portfolio and Transport, Planning & Sustainability Portfolio:

### **Environment Portfolio**

- Members noted that WMT/009b (the percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated biowastes that are composted or treated biologically in another way) was rated as 'Amber' despite officers being confident of reaching the 58% statutory target for 2015/16. They accepted that the important performance indicator had to remain an 'Amber' risk until the result was formally verified.
- Members noted that the overall City Operations total (Head Count) of staff eligible for PPDR completion reduced from 1,387 at the end of Quarter 2 to 1,328 at the end of Quarter 3; a reduction of 59 staff eligible for a PPDR. The Committee asked for clarification on the reason for this reduction.
- Members were concerned about litter levels in Cardiff and asked for LEAMS results for all of the Cardiff wards for 2014/15 and 2015/16.

## **Transport, Planning & Sustainability Portfolio**

- Members noted the red and amber R.A.G. status of PLA/004 (a) (% of major planning applications determined during the year within 13 weeks) and PLA/004 (c) (% of householder planning applications determined during the year within 8 weeks) respectively. They acknowledged the reasons provided for the poor performance of these indicators and hoped to see improvements in Quarter 4 2015/16 and Quarter 1 2016/17.

## **Draft City Operations Directorate Delivery Plan – 2015/16**

---

The meeting on 9 June 2015 provided Committee with the opportunity to scrutinise and comment on the Draft City Operations Directorate Delivery Plan. Cabinet Members Councillor Ramesh Patel and Councillor Bob Derbyshire were invited to the meeting and were supported by officers from the newly formed City Operations Directorate.

Presentations based on the respective Cabinet portfolios of responsibility were delivered (Transport, Planning & Sustainability and Environment) and the Cabinet Members and officers were available to answer Members' questions on the Draft City Operations Directorate Delivery Plan.

Discussion prompted some questions which were put in letters to the Cabinet Member for Transport, Planning & Sustainability and the Cabinet Member for the Environment. The key points made in these letters were:

### **Directorate Delivery Plan– Transport, Planning & Sustainability Portfolio**

- Members asked for a detailed income and expenditure summary for the running of the Civil Parking Enforcement team and Moving Traffic Offences service in Cardiff. In both instances it was asked that this summary detailed exactly what was funded from within the 'Parking Revenue Account'.

- Asked for an answer as to when the Council would be able to accurately forecast income levels for the new Moving Traffic Offences scheme.
- Stressed that they were keen to receive the long overdue feedback on the Cabinet response to the Environmental Scrutiny Committee report titled 'Problem & Nuisance Parking in Cardiff'.
- They noted and agreed with the then Director for Strategic Planning, Highways, Traffic & Transport that it would be vitally important to benchmark Council services within the new City Operations Directorate; this would create a systematic approach for comparing Cardiff's services against the best in the United Kingdom. They asked that once this was established that it should be shared with Members.
- Expressed concern at the lack of clear linkage between the various transport policies and strategies, for example, it is not clear how the Welsh Transport Strategy translates its high level vision into the Local Transport Policy. They felt that more could be done to improve the collaborative transport planning agenda and urged the Cabinet Member for Transport, Planning & Sustainability to contact the Welsh Government to push forward this agenda.
- The Committee asked for a detailed timeline for the development of the Cardiff Transport Strategy to include detail on the consultation to be followed in the development of the strategy.

## **Directorate Delivery Plan – Environment Portfolio**

- Members noted that the presentation delivered by the Assistant Director for the Environment cited a spend of £73 million per annum for the services to be included within the Infrastructure Services - Alternative Delivery Model. This contrasted to a figure of £55 million quoted in a recent task & finish exercise. They asked for an explanation for the difference between these two figures.

## **Draft City Operations Directorate Delivery Plan – 2016/17**

---

The meeting on 19 April 2016 provided Committee with the opportunity to scrutinise and comment on the Draft City Operations Directorate Delivery Plan for 2016/17. Cabinet Members Councillor Ramesh Patel and Councillor Bob Derbyshire were invited to the meeting and were supported by officers from the City Operations Directorate. Presentations based on the respective Cabinet portfolios of responsibility were delivered (Transport, Planning & Sustainability and Environment) and the Cabinet Members and officers were available to answer Members' questions on the Draft City Operations Directorate Delivery Plan. Discussion prompted some questions which were put in letters to the Cabinet Member for Transport, Planning & Sustainability and the Cabinet Member for the Environment. The key points made in these letters were:

### **Draft Directorate Delivery Plan 2016/17 – Common to both Portfolios**

- It was noted that the age profile ranges used in the proposed Draft Directorate Delivery Plan for 2016-18 were different to those used in the Directorate Delivery Plan for 2015-17. Members asked for an explanation for the change.
- Members felt that the very low number of staff in the 16 to 24 years of age range was a concern, particularly as approximately 58% of staff are over the age of 45. They were of the opinion that the high age profile supported a wealth of experience; however, considered it vital the knowledge wasn't



lost due to the Council failing to pass the information down to a younger generation. The Director for City Operations explained that this issue had been identified and that it was being addressed in a development plan. The Committee asked for confirmation of the actions being taken to better balance the age profile of the workforce and to ensure that vital skills aren't lost, for example, the development of apprenticeships.

- The Draft Directorate Delivery Plan for 2016-18 identified that only 17 of the 1,424 staff (1.2%) working for City Operations were defined as Welsh speakers with Welsh skills recorded on DigiGov. Members were concerned by this low level and asked for assurance that sufficient resources were in place to meet the newly introduced Welsh language standards.

#### **Draft Directorate Delivery Plan 2016/17 – Transport, Planning & Sustainability Portfolio**

- Members were very impressed by the reduction in full time equivalent (FTE) sickness days in Highways during 2015/16; from 12 FTE sickness days to 4 FTE sickness days. They congratulated the City Operations officers for this improvement and asked for an explanation as to how it was achieved.

#### **Draft Directorate Delivery Plan 2016/17 – Transport, Planning & Sustainability Portfolio**

- Members expressed concern that the Police Community Support Officers no longer issue fixed penalty notices for littering offences. They asked the Cabinet Member for Transport, Planning & Sustainability to raise the issue with South Wales Police.

## **Recycling & Waste Restricting Programme – Update on Implementation of Phase 1**

---

The meeting on 13 October 2015 provided the Committee with the opportunity to scrutinise and comment on the 'Recycling & Waste Restricting Programme – Update on Implementation of Phase 1'. Cabinet Member Councillor Bob Derbyshire was invited to the meeting and was supported by officers from the City Operations Directorate.

The Cabinet Member for the Environment and officers were available to answer Members' questions on the 'Recycling & Waste Restricting Programme – Update on Implementation of Phase 1'. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Environment. The key points made in the letter were:

- The Committee has asked for a list of streets which were initially proposed for the new wheelie bin scheme and after consultation allowed to stay on the bag scheme along with reasons why certain streets were allowed to remain on the bag scheme.
- Members suggested that a ward recycling league should be created to encourage recycling competition between wards and in turn help drive up recycling rates.
- Members noted that all of the waste collection changes would be reviewed in future to monitor the progress. They have asked to be provided with the outcome of the first review, in particular the details relating to the Penylan ward.

## **Joint Scrutiny of Shared Regulatory Service – Implementation and Future Proposals**

---

Cardiff Council is working in partnership with Bridgend and the Vales of Glamorgan Councils to deliver environmental and consumer protection and some licensing functions through a regional collaborative service.

A joint meeting between the Community & Adult Services Scrutiny Committee and the Environmental Scrutiny Committee on the 3 March 2016 provided Members with the opportunity to scrutinise and comment on an item titled 'Shared Regulatory Service – Implementation & Future Proposals'.

The Cabinet Member for Skills, Safety, Democracy & Engagement was invited to the meeting. He was supported by officers from the Shared Regulatory Service. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Skills, Safety, Democracy & Engagement.

The key points made in the letter were:

- Members expressed concern over the Planning Service failing to meet two of the main the food safety performance indicators; PPN/001(ii) and PPN/008(ii). Members hoped that the planned recruitment drive would address the problem.
- Members were not convinced of the achievability of the Shared Regulatory Service income generation plans. They asked for a detailed plan from the Shared Regulatory Service to set out it proposed achieve income targets in 2016/17.
- Members were supportive of the new outcome based performance indicators currently being developed by the Shared Regulatory Service.
- Members asked for a risk hierarchy system to be included in the risk section of the Shared Regulatory Service Business Plan to help identify the most significant risks facing the Shared Regulatory Service.

## **Infrastructure Services – Full Business Case Strategy Briefing**

---

The meeting on 15 March 2016 provided the Committee with the opportunity to scrutinise and comment on the 'Infrastructure Services – Full Business Case Strategy Briefing'. Cabinet Member Councillor Bob Derbyshire was invited to the meeting and supported by officers from the City Operations Directorate. Discussion prompted questions and comments which were put in letters to the Cabinet Member for the Environment. The key points made in the letter were:

- Members noted that the documents provided for the scrutiny of the 'Infrastructure Services – Full Business Case Strategy' made several references to collaboration. Officers provided a brief explanation on what this could mean and confirmed that very high level discussions had taken place with senior officers from neighbouring authorities. The Committee asked for details of the collaboration opportunities which had been identified during the project along with an explanation of any actions which had taken place to develop these opportunities.
- Members asked for an explanation of the impact that Welsh local authority reorganisation could have on the creation of an alternative delivery model for Infrastructure Services.
- During the meeting much emphasis was placed on the importance of introducing modern and relevant ICT into many of the services within the scope of the Infrastructure Services – Full Business Case. In particular the urgency of implementation was stressed as it was felt that very little progress had been achieved. The Committee reminded the Cabinet Member that purchasing successfully established off the shelf packages was a far better approach than developing our own in house systems and reiterated Recommendation 2 of the task group report titled 'Infrastructure Business Model & Alternative Delivery Options' which urged the Council to introduce off the shelf ICT packages.

- Members noted that despite trying to develop an in house fleet management solution for Central Transport Services over a two year period it now appears that the Council is in the final stages of commissioning an industry recognised fleet management software package. In response to this the Committee asked for a timeline for completing the procurement exercise for the new fleet management system along with a forecast for full implementation and an explanation of why after such a long period of development the Council has decided to abandon the creation of an in house fleet management system.
- Members asked for governance arrangements of the new alternative delivery model to be presented alongside the preferred option when it is presented for pre decision scrutiny in May. They also stressed the importance of building in the need for accountability and business control into future governance arrangements.
- During the meeting the Trade Union representatives for the GMB, Unite and UCATT put forward the proposal of a 'Commercial Internal Directorate'. After the meeting the Chair wrote to each of the trade unions asking them to submit details of any 'Commercial Internal Directorate' proposals that they had developed.
- The Committee asked for details on income generation including:
  - Clarification on the actual value that could be achieved by delivering the additional 7% of turnover in a Teckal based wholly owned arms length company;
  - Clarification on if it is legally possible to achieve an additional 7% in external turnover through the modified in house option;
  - Clarification if there are any mechanisms which can be used to legally generate more than 20% in external turnover through a modified in house company;

- Any business plans which have been created during project to deliver new business through both the wholly owned arms length company and modified in house options.

## BRIEFING INFORMATION

### **Members Update: Council Energy Projects & Proposals for the Route to Market**

---

The meeting on 14 July 2015 provided the Committee with the opportunity to scrutinise and comment on an item titled 'Members Update: Council Energy Projects & Proposals for the Route to Market'. The Cabinet Member for Transport, Planning & Sustainability was invited to the meeting and was supported by officers from the City Operations Directorate.

Discussion prompted questions and comments which were put in a letter to the Cabinet Member for Transport, Planning & Sustainability. The key points made in the letter were:

- Members noted the progress made in terms of the Council's contribution to increasing renewable energy production in Cardiff. They asked for clarification as to when Cardiff would be able to produce 40 MW per annum of renewable electricity, which bodies would actually produce this electricity and for the 40 MW to be compared against the overall annual electricity consumption in the city.

### **Draft City Operations Directorate Delivery Plan – 2015/16**

---

The meeting on 14 July 2015 provided the Committee with the opportunity to scrutinise and comment on the 'Implications of the Well-being of Future Generations (Wales) Act 2015'. The Cabinet Member for Transport, Planning & Sustainability was invited to the meeting and was supported by officers from the City Operations Directorate. Discussion prompted questions and

comments which were put in a letter to the Cabinet Member for Transport, Planning & Sustainability. The key points made in the letter were:

- Members appreciated the goals of the new legislation, however, noted the lack of clarity which they hoped would be addressed by the Welsh Government guidance notes due to be published in the autumn.
- The Committee were concerned that the new legislation could be bureaucratic and expensive to implement. They asked for assurance that the Council would look to minimise bureaucracy when applying the new legislation and that implementation costs should be kept to a minimum.

## **Modified In House – Neighbourhood Services Project**

---

The meeting on 10 November 2015 provided the Committee with the opportunity to scrutinise and comment on an item titled 'Modified In House – Neighbourhood Services Project'. The Cabinet Member for the Environment was invited to the meeting and was supported by officers from the City Operations Directorate. Discussion prompted questions and comments which were put in a letter to the Cabinet Member for the Environment.

The key points made in the letter were:

- Members noted an explanation that Local Environmental Audit Management System (LEAMS) results had improved in the Neighbourhood Services pilot area, that anecdotal comments from Members of the public seemed to support the improvements and that the improvements in the pilot area appeared to be better than those across the rest of the city. In response to this they asked for a copy of the LEAMS results for the last twelve months for the pilot area and the rest of the city.
- Due to a perceived shift away from the original organisational boundaries of the Neighbourhood Services Project Members asked for clarification on the new structure to include a detailed management structure. In addition



to this they asked how the Neighbourhood Management Areas would tie into the new east / west zonal approach.

- Member asked for information on the types of new income generation ideas which are being developed alongside the Modified In House and Wholly Owned Arms Length Company.

## **Cardiff's Future Waste Facilities – Member Update**

---

At the meeting on 10 November 2015 Members received an update on the development of Cardiff's Future Waste Facilities. This included information on the Prosiect Gwyrdd contract for processing municipal waste; a progress update on the anaerobic digestion plant currently being built by Kelda Organic for the processing of organic waste; an update on any proposals to develop future waste infrastructure with other local authorities and regional partners and work currently being undertaken to develop reuse and recycle facilities across Cardiff. Following the item the main Member comments and observations were:

- Members emphasised the importance of early public communication on the planned move to seasonal opening in 2016 for Household Waste Recycling Centres.
- Members welcomed the support of the Cardiff Third Sector Council to help improve recycling rates in Cardiff and that there is a commitment expand reuse facilities in Cardiff.

## Cardiff's Commercial Waste Collection Service

---

At the meeting on 8 December 2015 Members had the opportunity to scrutinise and comment on Cardiff's Commercial Waste Collection Service. The Committee received a report that focused on a number of areas of the Commercial Waste Service, these included details of the service and how it operates; the sales and marketing approach being used to generate income; resources allocated and challenges facing the service and how it will feed into the Infrastructure Services Full Business Case.

Following the item the main Member comments and observations were:

- Members were pleased at the progress that the Commercial Waste Service had made in recent years; in particular the business acumen within the team which had increased income levels.
- Members noted the competitive advantage created by the Council's VAT exempt status compared against other private sector commercial waste businesses. They felt that the Commercial Waste Service should use the VAT advantage as a selling point to attract new business and to maintain existing business.
- Members endorsed the idea of including the Commercial Waste Service as a part of a solution based cluster of services for businesses.
- Members noted that the Council was close to achieving access to a complete suite of sustainable waste disposal facilities which should give them a degree of control over waste disposal costs. The Committee felt that this position should be reviewed to find out if having these local facilities actually created a local commercial waste cost advantage for the Council.

## River Pollution in Cardiff

---

At the meeting on the 15 March 2016 Members had the opportunity to scrutinise and comment on River Pollution in Cardiff. The Committee received a report which considered a number of areas including the water quality of Cardiff's three main rivers; the work being undertaken to manage and monitor river pollution in Cardiff; the challenges faced in keeping Cardiff's rivers clean and healthy and the impact that the water quality in Cardiff's rivers has on the local environment. The meeting was supported by a number of vital stakeholders, these included Dwr Cymru / Welsh Water; Natural Resources Wales; South East Wales Rivers Trust; Glamorgan Anglers and the Cardiff Rivers Group.

Since this meeting it has been agreed that the Environmental Scrutiny Committee will run a task & finish exercise in the summer of 2016 to further explore river pollution issues in Cardiff. In doing this the Committee will co-opt representatives from each of the key stakeholder groups.

## CALL IN

### **Infrastructure Services – Alternative Delivery Models – Consideration of Called In Cabinet Decision CAB/15/24**

---

At the meeting on 26 August Members of the Environmental Scrutiny Committee and Policy Review & Performance Scrutiny Committee had the opportunity to jointly scrutinise and comment on an item titled 'Infrastructure Services – Alternative Delivery Models – Consideration of Called In Cabinet Decision CAB/15/24'. The Cabinet Decision CAB/15/24 was called in following the Cabinet meeting on the 16 July 2015 and resolved a number of matters including:

- 'The conclusion of the report that the most appropriate future delivery model for the services in scope is a Wholly Owned Company (Teckal) be agreed';
- 'The establishment of a Full Business Case and Shadow Board to govern the company establishment be agreed and authority delegated to the Chief Executive to work with the Leader of the Council and the Cabinet Member for the Environment to define the appointments of the Directors and Non Executive Directors to the Shadow Board';
- 'The completion of a Full Business Case for the Wholly Owned Company model and also the Modified In-House Model be agreed and the findings be reported back to Cabinet early in 2016 together with recommendations as appropriate regarding'.
- 'Consultation commence on and thereafter implement the saving opportunities identified for the Modified In-house and Wholly Owned

Company Trading options to allow the financial benefits to be achieved within the timescales identified’.

After the call in Members considered the evidence and voted unanimously not to refer the matter back to Cabinet, meaning that the decision taken by Cabinet on the 16<sup>th</sup> July 2015 stood. In addition to supporting the Cabinet decision Members stressed the importance of ensuring that detailed consultation and engagement with staff and trade unions took place on a regular basis during the development of the Full Business Case.

### **New Household Waste Recycling Centre and Re Use Facility – Consideration of Called – In Cabinet Decision CAB/15/25**

---

At the meeting on 26 August Members of the Environmental Scrutiny Committee and had the opportunity to scrutinise and comment on an item titled ‘New Household Waste Recycling Centre and Re Use Facility – Consideration of Called – In Cabinet Decision CAB/15/25’.

The Cabinet Decision CAB/15/25 was called in following the Cabinet meeting on the 16 July 2015 which resolved a number of matters including:

- The location of the new larger HWRC at the Lamby Way Depot in Rumney be approved;
- It be noted that the closure of the existing Wedal Road HWRC's will take place on completion of the new HWRC at Lamby Way and that the delivery timescales for recommendations 1 and 2 will be April 2016;
- That the operation of seasonal hours would be implemented by November 2015 along with approval for immediate implementation of the proof of residency for resident access to the Household Waste Recycling Centres;

- That a new charging approach for non Cardiff residents is approved and that commercial operators are identified to reduce treatment and disposal costs;
- A third party operator be sought for the delivery of a Re Use Facility.

After the call in Members considered the evidence and voted to refer the matter back to Cabinet. The reason cited for referring the item back for further Cabinet consideration was that a detailed traffic assessment referencing travelling times from various parts of north Cardiff to both proposed sites was not provided. Instead estimates based on 'Google Live Traffic' were used in the report to illustrate travelling times.

The Committee recommended that a detailed traffic assessment should be provided with the future Cabinet report and for this to include data based on actual traffic surveys.

## RECOMMENDED FUTURE WORK PROGRAMME

The Committee receives regular work programme updates at which Members have the opportunity to consider items for inclusion on the work programme, and can also suggest any new issues which may be of interest to the Committee. The following issues are considered as suitable for inclusion in the 2016 / 17 work programme:

- Neighbourhood Services – Member Update
- Infrastructure Services – Member Update
- Review of Cardiff's Draft Transport Strategy
- Cardiff Bay & City Centre Master Plans
- Household Waste Recycling Centre – Member Update
- Managing Litter in Cardiff
- Cardiff's Waste Management Strategy – Member Update
- Waste Enforcement Services
- Cardiff's Cycling Strategy
- Local Development Plan – Implementation of the Planning Inspectorate Recommendations & Requirements (including progress on updating the new Statutory Planning Guidance)
- Planning Service – Member Update
- Air Quality Strategy
- Highway Asset Management – Member Update
- Public Conveniences Strategy
- Cardiff's Parking Strategy – Member Update
- Pavement & Footway Maintenance in Cardiff

Scrutiny Services, City and County of Cardiff,  
Room 263, County Hall, Atlantic Wharf, Cardiff. CF10 4UW  
Tel: 029 2087 2953 Email: [scrutinyviewpoints@cardiff.gov.uk](mailto:scrutinyviewpoints@cardiff.gov.uk)

© 2016 City and County of Cardiff

Mae'r dudalen hon yn wag yn fwriadol



**s c r u t i n y**



---

**Policy Review and Performance  
Scrutiny Committee**

**Annual Report 2015–2016**

**May 2016**



**City and County of Cardiff**

## CONTENTS

<b>Committee Membership</b>	<b>3</b>
<b>Chair's Foreword</b>	<b>4</b>
<b>Introduction</b>	
Work Programme Overview	6
Public Questions to Scrutiny	8
Types of Scrutiny Undertaken	8
<b>Highlights of 2015/16</b>	
Joint Inquiries	12
Joint Scrutiny	14
Policy Review	15
Policy Development	19
Pre-Decision	22
Monitoring Improvement	25
Monitoring Performance & Delivery	30
<b>Future Scrutiny &amp; Work Programming 2016/17</b>	<b>33</b>
<b>Committee Terms of Reference</b>	<b>34</b>

**POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE MEMBERSHIP**



**CHAIR**  
**Councillor Nigel Howells**



**Councillor Garry Hunt**



**Councillor Rod McKerlich**



**Councillor Eleanor Sanders**



**Councillor Jim Murphy**



**Councillor Huw Thomas**

## CHAIR'S FOREWORD

Membership of this Committee is an opportunity for those who participate to develop great oversight of the corporate challenges the Council navigates to deliver great services and *make a difference*. Our aim is to consistently add value to the work of the Cabinet, allowing Members to play their part in strong governance; a prominent improvement proposal issued to the Council by its Wales Audit Office external regulators in March 2016.

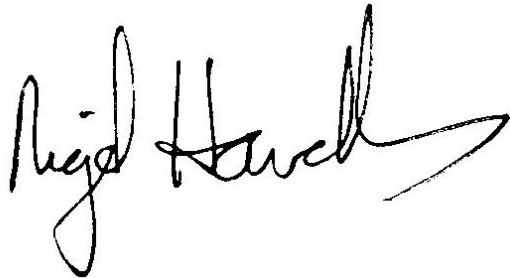
In fact this year our approach has been one of quality over quantity. It was the regulator's view that some corporate enablers, such as performance, human resources, and the Council's use of its assets still require improvement; that the scrutiny of cross cutting issues can be further developed; and that vacancies on scrutiny committees should be filled quickly. We have responded by focussing our work programme on performance, HR policies, and property matters; by carefully managing the length of agendas and meetings, acknowledging that Members are busy people; whilst also upholding the external regulator's view that it is important the Council builds the capacity and mechanisms for internal challenge and self assessment.

We continue to perform two roles, an overarching responsibility for holding the Cabinet to account for its corporate performance, alongside the focussed scrutiny of corporate services that support the Council in delivering the best frontline services possible. In addition, this year we became the home committee for partnership scrutiny, amid a rapidly expanding national policy context for the joined up delivery of public services. The Well-being of Future Generations (Wales) Act 2015 introduced statutory Public Service Boards, and a statutory role and responsibility for the Council to scrutinise the Board, for which the Council must strategically prepare with no additional resource.

This brings me full circle to the Scrutiny challenge as we enter a fifth year of the Administration. Against a backdrop of increasing statutory responsibility 2015/16 saw unprecedented turnover in the Committee's membership, and work is ongoing to address Member vacancies on the Committee.

May I urge you all, as you read this Annual Report of the Committee, to consider your role in helping the Council deliver the statutory challenges ahead and in bringing the democratic citizen voice to the scrutiny table.

Finally, on behalf of the Committee, my sincere thanks to all witnesses and officers that have facilitated our work.

A handwritten signature in black ink that reads "Nigel Howells". The signature is written in a cursive style with a long, sweeping tail on the final letter.

**Councillor Nigel Howells**

**Chair, Policy Review and Performance Scrutiny Committee**

## INTRODUCTION

Good governance is founded on independent scrutiny which has equal status with policy making. If it is to be effective and offer rigorous and constructive challenge, then scrutiny must rest at the heart of the Council's decision making process. This happens where Scrutiny consistently adds value to the work of the Cabinet, by examining best practice, scrutinising difficult decisions, assisting with specific challenges and engaging with the citizen.

This Annual Report covers the work of the Committee between May 2015 and April 2016. The work programme has been full and varied, and whilst this report analyses the types of scrutiny undertaken and all topics considered under each, areas of greatest impact are reported in 'Highlights of 2015/16' from page 10 onwards.

## Work Programme Overview

The Policy Review and Performance Scrutiny Committee's Terms of Reference confer upon it two distinct scrutiny roles. Firstly an overarching responsibility to scrutinise, monitor and review the overall corporate performance and improvement of the Council from a strategic viewpoint. Secondly to scrutinise, monitor and review the effectiveness of specific services, such as Finance, ICT, Human Resources, Governance, Legal Services, Property, Procurement, and Customer Services.

Cardiff Council has, along with the other 21 Councils in Wales, developed 15 "Characteristics of Effective Scrutiny"<sup>1</sup> which are designed to show whether scrutiny is working well locally, irrespective of an authority's priorities, challenges, political and organisational cultures and local issues. This

---

<sup>1</sup> <https://www.cardiff.gov.uk/ENG/Your-Council/Councillors-and-meetings/Scrutiny/Documents/Guidelines%20for%20effective%20Scrutiny%20in%20Wales.pdf>

Framework has three Outcomes: Better Cabinet Decisions; Better Engagement with Stakeholders; and Better Outcomes for the Council, the City and its citizens. This report presents the Committee's main activities during 2015-16 and where possible applies the Characteristics of Good Scrutiny to ensure that there are:

- Better outcomes - Democratic accountability drives improvement in public service.
- Better decisions - Democratic decision making is accountable, inclusive and robust.
- Better engagement – The public is engaged in democratic debate about current and future delivery of public services.

The Committee held 11 programmed public meetings during the 2015/16 municipal year. In addition Members of the Committee participated in 2 joint public scrutiny meetings. The output was 25 letters to the Cabinet and Senior Management Team, sharing the Committee's comments, concerns and recommendations, following scrutiny.

The Committee's approach this year has been informed by the *Improving Scrutiny Project*, developed in response to the recommendations made by Wales Audit Office in its September 2014 *Corporate Assessment of Cardiff Council*. Alongside many current key strengths within the authority's scrutiny arrangements, WAO identified four challenges for the service to focus on, which were:

- Clarity and length of agendas, and length of meetings;
- Prompt publication of minutes, work programmes and reports;
- Evaluation of Scrutiny outcomes;
- Timeliness of Cabinet responses to Scrutiny reports and correspondence.

The Council's five Scrutiny chairs enlisted the help of the Centre for Public Scrutiny to examine how best to respond to these challenges, and others

facing the authority's governance, performance monitoring and policy review arrangements. In September 2015 the Committee approved the 18 quick wins that evolved out of the project and continue to focus on their application.

## **Public Questions to Scrutiny – *Better Engagement***

The Council's five scrutiny committees regularly invite citizens and representatives of community and third sector organisations to provide evidence at committee meetings and Task & Finish inquiries. During 2015/16 the committee has received advice, comments and concerns from numerous representatives who have either been invited or requested attendance at Committee.

The Committee is committed to ensuring that citizens are involved in Governance and that the "voice" of local people and communities are heard as part of decision making and policy development. Therefore during the summer of 2015 the Committee introduced arrangements for public questions from the City's Third Sector Council (C3SC), welcoming the Chief Executive of C3SC to the table, with a public question on Equality Impact Assessment.

## **Types of Scrutiny Undertaken**

The Committee's terms of reference<sup>2</sup> determine that its responsibilities fall within four of the Council's seven delivery Directorates; as follows

The **Corporate Resources Directorate** falls within the Committee's remit in its entirety and comprises *Central Transport Services and Facilities Management; Commissioning and Procurement; Enterprise Architecture;*

---

<sup>2</sup> Terms of Reference for this Committee can be found on page 29.



*Finance; Health & Safety; Human Resources People Services; ICT; Organisational Development; Performance & Partnerships;*

The **Economic Development Directorate** includes *Strategic Estates* including both the *operational* and *commercial investment* portfolios and *International Policy*.

The **Communities, Housing and Customer Services Directorate** includes Community Hubs; Customer Services (including Corporate Complaints and the Member Enquiry Service); and Connect to Cardiff (C2C).

The **Governance and Legal Services Directorate** falls within the Committee's remit in its entirety and comprises Bilingual Cardiff; Committee & Members' Services; Electoral Services; Equality Team; Glamorgan Archives; Legal Services; and Scrutiny Services.

This year there have been many calls for the Committee to contribute to joint short scrutinies, along with colleagues from the other four scrutiny committees. In addition to the monthly meetings of the Policy Review and Performance Scrutiny Committee, Members have volunteered to represent the Committee on two joint scrutiny inquiries, the Alternative Delivery Mechanisms inquiry, and the Community Infrastructure Levy inquiry.

The Committee has scrutinised a wide variety of topics, which included:

**Joint Scrutiny Inquiries** – Where the Committee has joined together with one or more scrutiny committees to examine a topic of a cross-cutting nature to enable collective consideration of the issues.

- Alternative Delivery Mechanism – Business Infrastructure Proposals
- Community Infrastructure Levy.

**Policy Review** - Where the Committee has considered the implementation of and impact of policies providing the Cabinet with Scrutiny Members' views about whether any changes are required. In 2015/16 this included;

- Attendance and Wellbeing Policy Review
- Disciplinary Policy
- Well-being of Future Generations (Wales) Act 2015
- What Matters 2010-20, review 2015
- Performance Management Review.

**Policy Development** – Where the Committee has contributed to the Council's policy development processes by considering draft policy documents, In 2015/16 this included;

- Strategic Equality Plan 2016
- Alternative Delivery Model governance proposals.

**Pre Decision** – Where the Committee has evaluated and commented on policy proposals before they go to the Executive, giving the Cabinet the opportunity to know Scrutiny Member's views prior to making their decision. In 2015/16 this included;

- Non Operational Investment Estate
- The Corporate Plan 2016-18
- The Proposed Budget 2016-17.

**Monitoring Improvement** – Where the Committee has undertaken monitoring of the Council's improvement progress. In 2015/16, this included:

- Organisational Development Programme
- Statutory Annual Improvement Report 2014/15
- Wales Audit Office Improvement Report
- Cardiff Liveable City Report
- Wales Audit Office Corporate Follow On Report.

**Monitoring Performance and Delivery**– Where the Committee has undertaken monitoring of the Council's performance. In 2015/16 this included:

- Directorate Delivery Plans 2016-17
  - Resources
  - Communities, Housing & Customer Services
  - Economic Development
  - Governance & Legal Services
- Corporate Performance Quarters 1, 3 & 4
- Employee Survey & Employee Engagement.

## HIGHLIGHTS OF 2015/16

### Joint Inquiries

#### Community Infrastructure Levy – Task & Finish inquiry

Between November 2015 and February 2016 the Committee contributed to a joint Task & Finish inquiry in partnership with all four other scrutiny committees. The scope of the inquiry was to consider options for introducing a Community Infrastructure Levy (CIL) in Cardiff and examined seven key elements:

- CIL strategy
- Proposed Cardiff CIL rates
- Recent legislative change & developer contributions
- CIL regulations 123 list
- CIL administration
- CIL 15% Community Council funding allocation
- General CIL information.

In reviewing the various options the group drew upon a number of information sources including witnesses from other local authorities; the construction industry; officers from Cardiff Council's Planning Service; Elected Members; a Scrutiny primary research report and external planning consultants. From this body of evidence Members drew key findings and twelve recommendations. The three core recommendations proposed:

- A zonal approach appeared to be the best way forward for the city. Members felt that Cardiff should be split into three distinct zones, these were 1) Strategic Sites; 2) Residential Inner Zone; and 3) Residential Outer Zone. The Strategic Sites should be exempt of CIL and the Residential Inner Zone should have a higher CIL than the Residential Outer Zone.

- The Residential Inner Zone and Residential Outer Zone should be supported by a Community Infrastructure Levy variation tool which relates the contribution percentage to the number of units in the development, i.e. the larger the development the lower the CIL rate.
- The rates provided in Cardiff's preliminary Draft Charging Schedule were high when compared to other local authorities who had, or were in the process of adopting the Community Infrastructure Levy. The report recommended that the complete schedule of rates should be reviewed in advance of the publication of the Draft Charging Schedule in spring 2016.

The draft inquiry report was agreed by the Policy Review & Performance Scrutiny Committee (on behalf of all scrutiny Committees) on 12 April 2016. Subject to one small amendment the 12 recommendations were accepted. A copy of the report has been forwarded to the Cabinet Member for Transport, Planning & Sustainability to inform the Community Infrastructure Levy report programmed for Cabinet consideration in June 2016.

## Joint Scrutiny

### Infrastructure Services – Alternative Delivery Model

In July 2015 Members took part in pre-decision joint scrutiny of the Cabinet report 'Infrastructure Services – Alternative Delivery Model' (ADM). Together with the Environmental Scrutiny Committee, Members had an opportunity to scrutinise and comment on the Outline Business Case (OBC) proposals for an ADM.

Following the scrutiny Members commented to the Cabinet that important information on the OBC (scoring services against the five alternative delivery models) was missing, and evidently the outcome of the Corporate Evaluation Methodology was different to the recommendation in the Cabinet paper. Members requested an explanation.

Members were also concerned at some of the high level financial analysis assumptions of the OBC, and that the Service Improvement Plans were unavailable for consideration alongside the OBC, despite forming a large part of the basis of the £4million in-house savings for the period 2015/16 to 2017/18.

Members requested details of the predicated changes to employee terms and conditions as a result of a transfer to a Wholly Owned Arms Length Company, and sought clarification of how TUPE protection would be applied, and if such a structure would prevent multi tier employee terms and conditions being applied.

***A Cabinet response is awaited. The Committee will have an opportunity for joint pre-decision scrutiny of the final ADM proposals in June 2016.***

## **Policy Review – *better outcomes***

### **Attendance & Wellbeing Policy Review**

The Committee considered a post implementation review of the Attendance and Wellbeing Policy, and looked specifically at the impact on sickness absence levels of targeted management intervention in two Council directorates: Sport, Leisure & Culture; and Environment.

Members considered the overall trend of sickness absence levels to be in the right direction, but that greater urgency was required, and that the Council should consider setting harder targets and timescales. Members felt there was an opportunity for stronger, more challenging, Occupational Health support, and that the Council should be more flexible with trigger points where there are long term sickness issues. Committee supported phased return to work, and return to work without a doctor's note.

The Committee re-stated its view that key to success is the quality of management implementation and accountability; noted that work-related stress is automatically referred to Occupational Health and that the manager is expected to identify the source of a stress-related illness. Members reiterated the value of comparative performance data, and were reassured to note Core City sickness data comparisons. They felt it would be enlightening to compare the Council with large organisations in business and industry.

***In response the Cabinet reassured the Committee that a further review of the revised Attendance and Wellbeing Policy would take place 12 months on from 1 July 2015. More radical and stringent changes will be considered, should improvements not be achieved or sustained over the coming year. Cabinet will continue to monitor the spend on agency workers brought in to cover sickness; generally tighten up Occupational Health Service processes; and learn not only from external organisations how improvements can be secured, but also share the good practice that already exists internally.***

## Disciplinary Policy

In November 2015 the Committee considered the Disciplinary Policy Review, and new Resolution Policy. Members welcomed a shorter policy, supplemented by five guidance booklets as a positive change in supporting senior managers to discipline staff; improved management information reporting; and the creation of a bespoke Investigations Team to undertake complex investigations.

Members endorsed the Employee Assistance Programme offering staff a 24 hour, seven day a week counselling support service; felt the number of suspensions was surprisingly high. They considered a downward shift in permission to suspend, to Operational Manager level, was appropriate and had the added benefit of retaining an appeal mechanism to Director/Chief Officer level.

The Committee felt the new proposals were a step in the right direction. Clear targets could be reported quarterly for the number of grievances logged; the number of actual suspensions; and the length of time taken to resolve disciplinary cases. Members aspired to reduce resolution time to 4 weeks.

Lastly the Committee felt very strongly that, where schools personnel are under disciplinary investigation, governing bodies required more solid advice in undertaking Disciplinary action.

***The Cabinet response indicated concern with the number and length of suspensions, and the time taken to conclude disciplinary and grievance issues. It agreed that transparency and compliance with these processes is key. The provision of timely management information will be important for consideration at both Directorate and Senior Management Team meetings. Cabinet agreed to explore the suggestion regarding a disciplinary performance indicator; and indicated officers would review how best to realign resources to offer more support to schools governing bodies.***



## Well being of Future Generations

In preparation for its newly acquired role as the home committee for partnership scrutiny, in December 2016 the Committee invited a Welsh Government representative as a witness, to assist the Committee's understanding of the Well-being of Future Generations (Wales) Act 2015. The Committee sought to understand the national policy context for which the Council would need to strategically prepare; its role and purpose in the scrutiny of partnership arrangements; and the implications within the Act for Scrutiny. Following the scrutiny the Committee sent Welsh Government a scrutiny-specific response to its consultation, in addition to the Council's response.

Members embraced the spirit of the Act and the aspiration to put in place mechanisms to hold Public Service Boards to account locally rather than nationally. Scrutiny Members considered the Council's own approach to Local Service Board (LSB) Partnership work to be relatively advanced and a good starting point in tackling the statutory requirements of the Act. However, the Committee emphasised local councils would benefit from greater clarity of expectation between national and local scrutiny arrangements for holding to account the statutory Public Service Board.

The Committee felt clear guidance was required as to how the Future Generations Commissioner would interact with local Scrutiny functions; that the Council would need to improve how it communicates its well-being goals, and that a clear set of partnership objectives would be critical. Members were keen to establish whether there would be new Key Performance Indicators to assist them in their monitoring role.

Practically the Committee felt there were resource considerations that could impact on the achievability of the Government's vision. Members were concerned that with the escalation in statutory scrutiny responsibility there was no resource earmarked for the role and responsibility it places upon Scrutiny.

In May 2015 the Committee was asked to take overarching responsibility for scrutiny of the Council's partnership work, specifically scrutiny of the Cardiff Partnership Board (CPB). On publication of the *Improving Scrutiny Project* in September 2015, the transfer of responsibilities was agreed, and henceforth this Committee will perform a strategic overview role of the CPB's performance.

The Committee's first opportunity to perform its new role came in January 2016 when Members scrutinised the central strategic planning document of the CPB, the *2015 Review of the What Matters 2010 -2020 Ten Year Strategy*. This was timely scrutiny set against the national policy context for partnership working, and the Committee recognised the benefits of the CPB as a platform for addressing big issues within the City. Members were assured that external regulators recognise the quality of the Council's partnership work, and noted that partners consider there is still a way to go on the journey.

Members saw evidence of secure partner relationships, a common, consistent connection between the Corporate Plans of all partners, and sharing of data. However they were concerned as to how the Board measures its own achievements, and sought detail of what actions the CPB are planning over the next five years. Scrutiny of the Action Plan is programmed for 2016/17.

Of considerable concern to the Committee was how in the future the Council resources its statutory partnership and scrutiny responsibilities, as introduced by the Well-being of Future Generations Act 2015.

***The Committee remains keen to ensure greater collective transparency and accountability around the decision-making processes that involve all partners, for the benefit of the citizen. Members feel it is important that the level of scrutiny of partnership work is proportionate to the responsibility vested in the CPB and are in the process of clarifying arrangements in discussion with all stakeholders.***

## **Policy Development – *Better Decisions***

### **Strategic Equality Plan 2016 - 2020**

In October 2015 the Committee had an early policy development opportunity to consider the Strategic Equality Plan 2016-2020, at the start of a two month consultation programme to shape the final Plan. This was followed by a second pre-decision opportunity in March 2016 to consider the final Plan before it was considered by the Cabinet on 10 March 2016.

Following the scrutiny the Committee urged the Cabinet Member to ensure the Council works more strategically with its partners on equalities matters; encouraged the maintenance of strong links between the central Equalities Team and Directorates; encouraged that Directorates are required to report annually on equalities. This would enable the central Equalities Team to provide Members with an annual collective view of progress that enables the Committee to test how effectively the Council is delivering its Strategic Equality Plan. Notably Members felt it would be useful to produce a concise one sided A4 document for staff that summarised the 7 equalities objectives.

***The Committee concluded that its forthcoming work programme should include a fuller exploration of the challenge of ensuring the Council's workforce reflects its community.***

### **Business Infrastructure Model – ADM Governance**

As the Committee with responsibility for scrutiny of corporate governance the Committee considered specific matters and advice on the governance proposals for Alternative Delivery Mechanisms, such as a wholly owned trading company. The purpose was to ensure the Council puts in place appropriate arrangements to provide effective governance to preserve and enhance Council services to the citizens of Cardiff.

During the scrutiny Members considered company structures and forms, governance controls, the Constitution, Board and Membership, Reserved Matters, conflicts of interest, transparency and accountability, retained activities and the relationship between the Authority and Company.

Members' concerns and observations to the Cabinet acknowledged the Council's timely engagement with scrutiny on potential governance arrangements, affording Members an opportunity to contribute their views. Members will join with the Environment Committee to scrutinise the Full Business Case, and stressed should the Council decide to go ahead this Committee would also wish to factor scrutiny of the final contract into its future work programme.

The Committee endorsed the approach taken by appointed external consultants, *Bevan Britton*, to work with the in-house legal team in developing its own internal expertise; highlighted the importance of adhering both to the Companies Act and the Council's governance requirements; felt that it would be critical to have appropriate accounting procedures and standing orders in place for the new company; and cautioned against hampering the Company by putting in place too many reserved powers.

The Committee felt there needed to be clarity around the Member-Officer relationship, recommending that the Council engaged external advice as to Member involvement in the Board; the nominated Member(s) should be non-executive Councillors; nominated Member(s) should ideally have business skills and expertise; and therefore considers it appropriate to adopt a competitive process to ensure the right appointment(s).

Members requested that, should the proposals be accepted, and a Transition Board be put in place; the Committee has an opportunity to monitor the progress of matters that fall within its Terms of Reference, as the Board introduces new arrangements that impact on the finances and staff of the Council.

Finally, the Committee sought to ensure that any new operating arrangements maintain the existing Council ethos of working with SMEs, and requested the list of SMEs with whom services under consideration for transfer to the new Company are currently working.

***The Committee will participate in pre-decision scrutiny of the Full ADM Business Case, to include governance proposals, programmed for June 2016.***

## **Pre Decision – *better decisions***

### **Non-Operational Investment Property Estate**

In November Committee scrutinised the Council's Non-Operational Property Estate proposals. The Committee was pleased to hear that the estate is currently generating a good income, and that the new proposals will refine the Council's ability to develop its property portfolio to a point where it makes money. Members highlighted the risk to income of disposing of capital assets; were reassured that the new strategy proposing an Investment Estate Board is focussed on generating more money; and that all Council-owned buildings with a community value will be retained within the Operational Estate.

The Committee intends to monitor the performance of the Investment Estate Board annually; accepting that accountability for decisions taken by the Board will sit with professional officers advised by commercial advisers. The Committee's interest will be in the performance of the Board in maximising income from the Council's estate, and in seeking reassurance that an ethical and community focussed framework for investment has been implemented.

The Committee considered it important to preserve the quality of the public realm in prominent locations, that Cardiff is still short of hotel space, and therefore when the Board considers selling property would urge that the Council preserves some control over the site's future use.

***Cabinet indicated the Council will look to capitalise on any opportunities arising from redevelopment schemes where the City Council can share in the development value; Investment Board will seek to retain an element of control, but design quality will be controlled through the planning process and new Liveable City Design Guide. Ethical considerations will be part of the process to ensure that assets are used appropriately.***

## Corporate Plan

The Committee was provided with an early opportunity to help inform the development of the Plan in January 2016, followed by a second opportunity in February to scrutinise the final draft Plan before its sign off by Cabinet alongside the 2016/17 budget proposals.

The Committee's role was twofold in considering the Corporate Plan:

- Firstly, to scrutinise the overall structure and direction set out in the Corporate Plan and the process for its development, as the Council's key strategic document linking the outcomes set out in 'What Matters' Plan, Directorate Delivery Plans and individual officers' objectives.
- Secondly, the Committee had a role in scrutinising the linkages between the Corporate Plan and delivery of the specific services under its remit. These fall largely under Priority 4 - Working together to transform services.

***The Committee's overwhelming conclusion was that the draft 2016-18 Corporate Plan was a considerable improvement on last year's Plan.***

***The Committees' suggested improvements were taken on board, the Plan amended, and a new table inserted to clarify the links between the national Well-being goals of the Well-being of Future Generations (Wales) Act 2015, the seven Cardiff outcomes of the 4 Council priorities, and the improvement objectives contained in the Plan.***

## **Budget Proposals 2016/17**

In February 2016 the Committee considered the draft Cabinet budget proposals prior to their consideration by Cabinet and Full Council.

The Committee welcomed the greater openness and an apparently more rigorous budget setting process; expressed concern at the evident internal cost inflation and its impact on the savings made over time; felt there were green shoots of progress in savings made; and noted the Council was more business like, having reviewed many HR policies and specifically improved in areas such as sickness absence and agency costs.

In respect of the Changes for Cardiff budget consultation Members had some concerns around the presentation of results across methodologies of research, whether consequently results were skewed, and would have liked to see caveats to the methodology highlighted more strongly in the report.

During the scrutiny the Committee heard from Unison of concerns around the reflectiveness of the Council's workforce of the communities it serves.

***Therefore Members wish to follow up the concerns highlighted and will consider taking a look at the changing composition of staff over time. The Committee will address this during its future work programming for 2016/17.***



## Monitoring Improvement

### Organisational Development Programme

The Committee had an opportunity in July 2015 to consider progress and a new approach planned for delivery of the Council's Organisational Development Programme (ODP). Members were seeking assurance of progress in addressing the findings of the Wales Audit Office (WAO) Corporate Assessment of the Council in September 2014.

The Committee welcomed the refresh of the ODP to maintain momentum under the Council's '*Make the Difference*' Brand. Members noted some concern about the progress of the Reshaping Services for Vulnerable Adults Programme, and the risk surrounding Adult Social Services commissioning and demand pressures, particularly around managerial capacity.

Members focussed on the implications of new ways of working both for staff numbers and satisfaction, and particularly highlighted the importance of good staff engagement on plans such as multifunctional roles and mobile working.

***In response the Cabinet welcomed the Committee's input and monitoring of progress and reiterated strongly their commitment to open and informed dialogue with staff, reminding Members that this was the first of a three year programme of dedicated staff engagement.***

### Statutory Annual Improvement Report 2014/15

In September 2015 the Committee considered the Annual Improvement Report 2014/15, and challenged how effectively the Council was preparing for improvement, by focusing on delivery of its key priorities. Despite acknowledging that the annual media assessment of Local Authority performance is a crude mechanism, and that 70% of the Council's performance indicators had improved, Members expressed concern to the

Cabinet about performance in Cardiff when compared with urban authorities such as Newport and RCT. Members also felt the Improvement Plan could better address the *quality* of Council services delivered, and considered further work was required to assess what is important to our customers.

***Members were therefore pleased that the Cabinet and Chief Executive are confident in expecting better headlines in 2016 and will programme timely scrutiny.***

### **Wales Audit Office Follow-on report**

In line with good governance supporting stronger links between internal and external challenge, in March 2016 the Committee had an opportunity to receive the *Corporate Assessment Follow On* report, published by the Wales Audit Office (WAO).

In September 2014 the Auditor General had concluded that '*Fragmented (Council) leadership and management... meant that weak performance in key service areas has not improved*' based on evidence of political and managerial instability over a number of years; a lack of effective means of delivery for citizens; decision-making processes that were inefficient and lacked transparency; performance management failing to consistently secure improvement; uncertain prospects for achieving proposed savings in 2014-15; unsustainable methods of service delivery; inconsistent implementation of human resource arrangements; and not managing land and property assets well.

There was, however, evidence of the Council collaborating well with others to improve outcomes for citizens; improving information technology; and improving information management arrangements.

The Council received a Follow-on Review in the autumn of 2015 that resulted in the Auditor General's judgement that "***The Council has put in place better arrangements to support improvement and to address longstanding***

***issues, but is now at a critical point in embedding them if it is to achieve a step change in delivering improved outcomes.”***

The Council received one formal recommendation, asking it to ensure it addresses 14 clear proposals for improvement to deliver improved outcomes within the next 12 months.

Following the scrutiny the Committee welcomed the WAO Corporate Follow-on judgement that there had been a transformation of leadership and senior management within the Council; and noted that the regulator would not have expected the Council to resolve all issues highlighted in the Corporate Assessment of September 2014, and that the Council has more work to do to ensure improved arrangements are embedded, to capitalise on the improvement trajectory.

The Committee will therefore during future work programming reflect on the regulator’s view that: some corporate enablers (such as Performance, Human Resources, and the Council’s use of its Assets) still require improvement; that the scrutiny of cross cutting issues can be further developed; and that vacancies on scrutiny committees should be filled quickly.

Members endorsed the external regulator’s view that it is important the Council builds the capacity and mechanisms for internal challenge and self assessment. The Committee recognises the improvement at leadership level, but stressed the importance that leaders probe deeper into the organisation to secure further improvement.

With regard to the Performance Reporting proposal for improvement, the Committee noted the need for more consistency around performance management and benchmarking; that the framework and mechanisms for effective performance management are already in place, but that there is scope for further improvement; and particularly scope for strengthening the relationship between the Central Performance Team and Service Directorates; and looked forward to pre-decision scrutiny of the refreshed

proposals for performance monitoring arrangements before the summer recess.

The Committee was very concerned about the number of vacant seats on scrutiny committees, and remains keen to establish how the Council can improve commitment to scrutiny amongst elected Members, to sustain a stable and consistent membership across all five scrutiny committees. Member engagement is a broader issue than just scrutiny, and there needs to be cross-party consideration of this matter.

Members were surprised by the Review proposal suggesting the Council needs to develop an approach to scrutinising cross-cutting issues. Members of all scrutiny committees have been involved in cross cutting scrutiny inquiries over recent years, and more in the past year than ever before. The Committee was therefore pleased to hear the WAO clarify that the proposal is rooted in the statutory implications for scrutiny of forthcoming government legislation that will require all Authorities to look at the bigger picture and scrutinise issues not entirely within the Council's control.

***The Committee received a prompt response from the Leader promising to keep the Committee updated of all WAO future work and intentions; welcoming an opportunity to bring a refreshed Organisational Development Programme to Committee in June 2016; and suggesting a six month review of the Council's Statement of Action in the autumn 2016.***

## **Cardiff Liveable City Report**

In December Members were introduced to the first *Cardiff Liveable City Report*, which offered a comparative benchmark perspective of Cardiff's performance against a group of ten major UK Core Cities, not including London.

Whilst the Committee congratulated the Cabinet on the accessibility of the document, there was some feeling that Members had not been central to the document's development. The Committee feels fighting inequality is a central role all Members perform, and that involving them at an early stage in developing the document would better address how we make the City more liveable for the 60,000 poorest citizens, and indeed for older residents.

## **Monitoring Performance & Delivery- *Better Outcomes***

### **Performance Monitoring**

Each Quarter, the Committee receives the overall performance report for the Council prior to the report going to Cabinet, while other Scrutiny Committees receive the reports of those Directorates that fall within their terms of reference. The Committee's role is twofold:

- To consider the overall performance of the organisation and the actions being taken to ensure that agreed targets and commitments are delivered.
- To scrutinise the performance of the services that fall under the terms of reference of the Committee. This includes the performance of three Directorates: Corporate, Resources, and Governance & Legal Services; in addition property elements of the Economic Development Directorate; and customer elements of the Communities, Housing & Customer Services Directorate.

Members decided during work programming discussions that its approach to monitoring Council Performance for 2015/16 would be to consider Quarter 1 and Quarter 3 performance reports at full Committee, to delegate responsibility to the Chair in discussion with the Principal Scrutiny Officer to review Quarter 2 and Quarter 4, and bring to the Committee's attention any matters of concern.

Throughout the year there were recurring themes to Members' concerns around performance. Specifically, the Committee are concerned that during the year staff and agency costs have been running ahead of budget, and in future Members will be looking for an improvement in recovering the overspend on staff budgets.

There have been repeated concerns about the ability of current performance information to facilitate comparisons with previous quarters, to illustrate trends, and to enable comparative demographics across authorities.

The Committee felt there has been little evidence of progress in respect of operational asset management, and asked the Cabinet Member to report on this matter before the summer recess; urged that in refreshing the performance reporting arrangements the Council encompasses the performance information needs of all five scrutiny committees; and considered there was an opportunity to improve the internal sharing of strategic expertise across Directorates.

***The Committee has been encouraged to participate in and contribute to performance management policy development in the form of the Performance and Governance theme of the Organisational Development Programme. This project work to commence shortly, the Committee will factor this into its work programme.***

### **Employee Survey & Employee Engagement**

In October 2015 the Committee had an opportunity to consider the results of the 2015 Employee Survey, and help drive forward the Employee Engagement agenda. The scrutiny was broadened to include valuable contributions from four staff ambassador representatives. Members commented that there is clear evidence of improvement and in general terms were content with the strategic approach and practical implementation of the work, the benchmarking activity undertaken and the pains taken to widen consultation and engagement with employees.

### **Directorate Delivery Plans 2016-17**

The Committee's Terms of Reference confer responsibility for scrutinising a range of services that fall within four Directorate Delivery Plans. In April 2016

two of the Plans, the *Resources Directorate Delivery Plan* and the *Governance and Legal Services Directorate Delivery Plan*, were considered in their entirety, whilst the *Economic Development Directorate Delivery Plan* was scrutinised for Strategic Estates and International Policy matters, and the *Communities, Housing & Customer Services Directorate Delivery Plan* was scrutinised for all Customer Services matters.

Consideration of the Delivery Plans set in context for Members the role they play within the Council's overarching strategic planning framework, and will effectively inform the Committee's work programming for 2016/17.

***Each Directorate received a letter capturing the Committee's views.***



## **Future Scrutiny - Work Programming 2016/17**

Over the course of its deliberations this year, the Committee has recommended that the following items be considered for inclusion in the Committee's 2016-17 work programme:

- ❖ Full business case proposals for an ADM;
- ❖ Partnership scrutiny proportionate to the responsibility vested in the CPB;
- ❖ The challenge of ensuring the composition of the Council's workforce reflects its community;
- ❖ Statutory Annual Improvement Report 2015/16;
- ❖ Six month review of the Councils WAO Statement of Action;
- ❖ Organisational Development Programme.

## COMMITTEE TERMS OF REFERENCE

- To scrutinise, monitor and review the overall operation of the Cardiff Programme for Improvement and the effectiveness of the general implementation of the Council's policies, aims and objectives.
- To scrutinise, monitor and review the effectiveness of the Council's systems of financial control and administration and use of human resources.
- To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures which may enhance Council performance in this area.

**COUNCIL:**

**28 JULY 2016**

---

## **REPORT OF THE CHIEF EXECUTIVE**

---

### **APPOINTMENT OF MONITORING OFFICER**

#### **Reason for this Report**

1. To formally designate a Monitoring Officer to meet the requirements of the Local Government and Housing Act 1989 and to carry out the statutory role and responsibilities of Monitoring Officer under that Act.

#### **Background**

2. On 1<sup>st</sup> March 2016 the post of Director of Governance and Legal Services fell vacant. As the post-holder was the Council's designated statutory Monitoring Officer the Council on 25<sup>th</sup> February 2016 designated David Marr as Interim Monitoring Officer in order to meet its statutory duties until the date that a new Director of Governance and Legal Services commences employment.
3. A recruitment and selection process was completed in May 2016 and the new Director will commence employment on 19<sup>th</sup> September 2016.

#### **Issues**

4. Members have been advised that Davina Fiore has been appointed to the post of Director of Governance and Legal Services and will take up the role with effect from 19 September 2016.
5. As this is the last Full Council meeting before her commencement date it is necessary for the Council at this meeting to formally designate her as Monitoring Officer.

#### **Legal Implications**

6. Section 5 of the Local Government and Housing Act 1989 imposes a statutory duty on the Council to designate one of its officers, to be known as the Monitoring Officer, to carry out the statutory duties of Monitoring Officer under that Act. Those duties are primarily to ensure the lawfulness and fairness of the Council's decision making. The designation must be made by full Council.

7. The Act also requires the Council to provide the Monitoring Officer with sufficient staff, accommodation, and other resources to allow the duties of the role to be performed.

### **Financial Implications**

8. There are no financial implications as a result of this report

### **RECOMMENDATION**

It is recommended the Council designates Davina Fiore, the prospective Director of Governance and Legal Services, as the Council's Monitoring Officer in accordance with Section 5 of the Local Government and Housing Act 1989, with effect from 19 September 2016.

**Paul Orders**  
**Chief Executive**  
**21 July 2016**

Background Papers  
Report to Full Council 25 February 2016

**CITY & COUNTY OF CARDIFF  
DINAS A SIR CAERDYDD**



**COUNCIL:**

**28 JULY 2016**

**REPORT OF THE CHIEF EXECUTIVE**

**MEMBERS' SCHEDULE OF REMUNERATION 2016-17**

**Reason for this Report**

1. To approve the Members' Schedule of Remuneration 2016-17 in accordance with the Independent Remuneration Panel for Wales (IRPW) Regulations.

**Background**

2. The Independent Remuneration Panel for Wales (IRPW) is a statutory body established by the Welsh Government in January 2008 to determine the scope and salaries, allowances and expenses payable to Elected Members and Co-opted Members.
3. The Local Government (Wales) Measure 2011 gave the IRPW additional powers to prescribe members' remuneration. Part 8 (sections 141-160) and Schedules 2 and 3 of the Local Government (Wales) Measure 2011 set out the arrangements for the payments and pensions for elected members of relevant authorities and the functions and responsibilities of the IRPW. Sections 62-67 of the Local Government (Democracy) (Wales) Act 2013 also amended sections of the Local Government (Wales) Measure 2011 and conferred additional powers on the IRPW.
4. The IRPW's Annual Report for 2016/17 (8<sup>th</sup> Annual Report) was published in February 2016, which set out its determinations on the payment of remuneration and allowances to elected members and co-opted members in the 2016/17 municipal year. The report is available on the Independent Remuneration Panel for Wales website via the following link: <http://gov.wales/docs/dsjlg/publications/160217-irp-annual-report-16-17-en.pdf>
5. The Council must implement the IRPW's determinations, as set out in its Annual Report, from the date of the Council's Annual Meeting.
6. In accordance with the IRPW Regulations and guidance set out in the IRPW Annual Report for 2016/17, the Council must produce and maintain an annual Schedule of Remuneration ('the Schedule'), which sets out details of the specific payments that it intends to make to elected members and co-opted members in accordance with the levels of remuneration and allowances determined by the IRPW in its Annual or Supplementary Reports.

## Senior Salaries

7. In Cardiff (Population Group A), the maximum number of Senior Salary positions is 19, excluding Civic Salary positions.
8. The Council agreed the following allocation of 19 Senior Salaries for 2016/17 at the Annual Meeting of the Council on 26 May 2016:

<b>Bands of Responsibility</b>	<b>Role(s)</b>	<b>No. of Senior Salary Positions</b>
Band 1	Leader	1
	Deputy Leader	1
Band 2	Other Cabinet Members	7
Band 3	Scrutiny Committee Chairs	5
	Planning Committee Chair	1
	Licensing / Public Protection Committees Chair	1
	Democratic Services Committee Chair	1
Band 4	Leader of largest opposition group	1
Band 5	Leader(s) of other political group(s) comprising at least 10% membership of the Authority (if remunerated)	1
<b>Total =</b>		<b>19</b>

9. Whilst the Panel has decided not to increase Senior Salaries in 2016/17, it made some changes to Band 2 and 3 Senior Salaries to provide greater opportunities for flexibility at a local level to reflect the variations in the governance structures of principal councils. The Panel has introduced two salary levels for Cabinet Members (except Leaders and Deputy Leaders) and for Committee Chairs (if remunerated) of principal councils so that they can take account of the differences in responsibilities that may be attached to specific posts.
10. It is at the discretion of each Council as to which salary level is paid according to local circumstances. Nevertheless, the Panel considers that, in many instances, there are differences in the responsibilities attached to the portfolios of Cabinet Members and this should be reflected in the level of salary paid. The same principle also applies to Committee Chairs.

11. The Annual Council on 26 May 2016 agreed to set the Band 2 Senior Salary payable in 2016/17 to all Cabinet Members (except for the Leader and Deputy Leader) in accordance with the Level 1 payment (£32,000) prescribed by the Panel, as applicable to the Council.
12. In addition, Annual Council 26 May 2016 agreed to set the Band 3 Senior Salary payable in 2016/17 to those Committee Chairs that are remunerated in accordance with the Level 1 payment (£22,000) prescribed by the Panel;

#### Members' Schedule of Remuneration 2016-17

13. The IRPW has developed and issued a proforma Schedule of Remuneration for recommended use by local authorities in order to promote best practice and assist with consistency in the production of such schedules within Wales. Specific sections within the document are to be amended in order to suit each Authority's own particular circumstances; however, it should be noted that use of the proforma is not mandatory. The Council is recommended to adopt this proforma for use as the basis for the Members' Schedule of Remuneration 2016-17, as set out in **Appendix A** to this report.
14. Any amendments to the Schedule made during the municipal year must be conveyed to the IRPW as soon as practicable after the amendments are made. It is proposed that authority should be delegated to the Monitoring Officer to make any necessary amendments to the Schedule in order to reflect any changes in membership of the Council, Cabinet or Committees or as a result of any Supplementary Reports issued by the IRPW.
15. In accordance with the IRPW Regulations, the Council must make arrangements for the publication of the Schedule within the authority area and the Schedule must be sent to the IRPW as soon as practicable after determination and not later than 31 July in the year to which it applies.

#### Legal Implications

16. The relevant legal provisions are set out in the body of the report.

#### Financial Implications

17. The costs of member remuneration as set out in the attached schedule can be met from within existing budgets in 2016/17.

## **RECOMMENDATIONS**

The Council is recommended to:

1. approve the Members' Schedule of Remuneration 2016-17 based on the proforma schedule provided by the Independent Remuneration Panel for Wales, as set out in Appendix A to this report; and
2. delegate authority to the Monitoring Officer to update the Members' Schedule of Remuneration and to make any necessary amendments to the 2016-17 Schedule from time to time during the municipal year in order to reflect any changes in membership of the Council, Cabinet or Committees or as a result of any Supplementary Reports issued by the Independent Remuneration Panel for Wales.

**PAUL ORDERS**  
**Chief Executive**  
**22 July 2016**

The following Appendix is attached to this report:

**APPENDIX A:** Members' Schedule of Remuneration 2016-17

### **Background Papers**

Council Report, 26 May 2016 – Members' Schedule of Remuneration 2016/17

Independent Remuneration Panel for Wales Annual Report 2016:  
<http://gov.wales/docs/dsjlg/publications/160217-irp-annual-report-16-17-en.pdf>



**COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF**

**MEMBERS' SCHEDULE OF REMUNERATION 2016-17**

This Scheme is made under the Local Government (Wales) Measure 2011 (“the Measure”) with regard to Independent Remuneration Panel for Wales (IRPW) Regulations which apply to payments made to members and co-opted members of local authorities.

**1. Basic Salary**

- 1.1 A Basic Salary shall be paid to each elected Member of the Authority.
- 1.2 In accordance with the Regulations, the rate of the Basic Salary shall be reviewed annually as determined by the Independent Remuneration Panel for Wales.
- 1.3 Where the term of office of a Member begins or ends other than at the beginning or end of a year, his/her entitlement to the Basic Salary will be pro-rata.
- 1.4 No more than one Basic Salary is payable to a Member of the Authority.

**2. Senior Salaries & Civic Salaries**

- 2.1 Members occupying specific posts shall be paid a Senior Salary as set out in **Schedule 1**.
- 2.2 In accordance with the Regulations, the rates of Senior Salaries and Civic Salaries shall be reviewed annually as determined by the Annual or Supplementary Report of the Independent Remuneration Panel for Wales.
- 2.3 Only one Senior Salary or Civic Salary is payable to a Member of the Authority.
- 2.4 A Member of the Authority cannot be paid a Senior Salary and a Civic Salary.
- 2.5 All Senior and Civic Salaries are paid inclusive of Basic Salary.
- 2.6 A Senior Salary may not be paid to more than the number of members specified by the Independent Remuneration Panel for Wales in its Annual Report and cannot exceed fifty percent of the total membership of the authority, except to include a temporary Senior Salary office holder providing temporary cover for the family absence of the appointed office holder.
- 2.7 A Member of the Authority in receipt of a Band 1 or 2 Senior Salary (i.e. Leader, Deputy Leader and Cabinet Members) **cannot** receive a salary from any National Park Authority (NPA) or Fire and Rescue Authority (FRA) for which he/she has been nominated.
- 2.8 Where the term of Senior Salary or Civic Salary of a Member begins or ends other than at the beginning or end of a year, his/her entitlement to the Salary will be pro-rata.

**3. Election to Forgo Entitlement to salaries, allowances or fees**

- 3.1 A Member may, by notice in writing delivered to the Monitoring Officer, personally elect to forgo any part of his/her entitlement to any salary, allowance or fee payable under this Scheme from the date set out in the notice.

#### **4. Suspension of a Member**

- 4.1 Where a Member of the Authority is suspended or partially suspended from his or her responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000 (Conduct of Members), or regulations made under the Act, the part of the Basic Salary payable to him/her in respect of that period for which he or she is suspended will be withheld by the Authority (Section 155 (1) of the Measure).
- 4.2 Where a Member in receipt of a Senior Salary is suspended or partially suspended from being a Member of the Authority in accordance with Part III of the Local Government Act 2000 (Conduct of Members), or regulations made under the Act, the Authority must not make payments of the Member's Senior Salary for the duration of the suspension (Section 155 (1) of the Measure). If the partial suspension relates only to the specific responsibility element of the payment, the member may retain the Basic Salary.

#### **5. Repayment of salaries, allowances or fees**

- 5.1 Where payment of any salary, allowance or fee has been made to a Member of the Authority or Co-opted Member in respect of any period during which the Member concerned:
- (a) is suspended or partially suspended from that Member's/Co-opted Member's duties or responsibilities in accordance with Part 3 of the 2000 Act or regulations made under that Act;
  - (b) ceases to be a Member of the Authority or Co-opted Member; or
  - (c) is in any other way not entitled to receive a salary, allowance or fee in respect of that period,

the Authority will require that such part of the salary, allowance or fee as relates to any such period be repaid.

#### **6. Payments**

- 6.1 Payments of all salaries, allowances or fees will be made by the Council's Payroll team by BACS transfer in instalments of one-twelfth of the Member's annual entitlement usually on the 15<sup>th</sup> of each month.
- 6.2 Where payment has resulted in a Member receiving more than his/her entitlement to salaries, allowances or fees the Authority will require that such part that is overpayment be repaid.
- 6.3 All payments are subject to the appropriate tax and National Insurance deductions.

#### **7. Care Allowance**

- 7.1 Care Allowance shall be paid to a Member or Co-opted Member for the reimbursement of necessary costs for the care of dependent children and adults, and for personal assistance needs, provided the Member incurs expenses in the provision of such care whilst undertaking 'approved' council duties.
- 7.2 Care Allowance applies in respect of children who are aged 15 or under and other persons for whom the Member or Co-opted Member can show that care is required. If a Member or Co-opted Member has more than one dependent the Member may claim more than one allowance, provided the Member can demonstrate a need to make separate arrangements for care.

7.3 Eligible Members may claim Care Allowance for actual and receipted costs up to a maximum amount not exceeding that determined by the Independent Remuneration Panel as set out in **Schedule 1**. All claims for Care Allowance should be made in writing to Democratic Services detailing times, dates and reasons for claim. Receipts are required for both informal and formal care arrangements.

## **8. Family Absence**

8.1 Members are entitled under the provisions of the Family Absence for Members of Local Authorities (Wales) Regulations 2013 to a period of family absence, during which if they satisfy the prescribed conditions they are entitled to be absent from authority meetings.

8.2 When taking family absence Members are entitled to retain a basic salary irrespective of their attendance record immediately preceding the commencement of the family absence.

8.3 Should a senior salary holder be eligible for family absence they will be able to continue to receive their senior salary for the duration of the absence.

8.4 If the authority agrees that it is necessary to make a substitute appointment to cover the family absence of a senior salary holder the Member substituting will be eligible if the authority so decides to be paid a senior salary.

8.5 If the paid substitution results in the authority exceeding its maximum number of senior salaries, an addition to the maximum will be allowed for the duration of the substitution.

## **9. Co-optees' payments**

9.1 A Co-optees' daily fee (with a provision for half day payments) shall be paid to Co-optees, provided they are statutory Co-optees with voting rights.

9.2 Co-optees' payments will be capped at a maximum of the equivalent of 10 full days a year for each committee to which an individual may be co-opted.

9.3 Payments will take into consideration travelling time to and from the place of the meeting, reasonable time for pre meeting preparation and length of meeting (up to the maximum of the daily rate).

9.4 The Monitoring Officer is designated as the "appropriate officer" and will determine preparation time, travelling time and length of meeting, the fee will be paid on the basis of this determination.

9.5 The Monitoring Officer can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.

9.6 A half day meeting is defined as up to 4 hours.

9.7 A full day meeting is defined as over 4 hours.

9.8 The daily and half day fee for the Chairpersons of the Standards Committee and Audit Committee, as determined by the Independent Remuneration Panel, is set out in **Schedule 1**.

9.9 The daily and half day fee for other statutory Co-optees with voting rights, as determined by the Independent Remuneration Panel, is set out in **Schedule 1**.

## **10. Travel and Subsistence Allowances**

### **10.1 General Principles**

10.2 Members and Co-opted Members may claim travelling expenses when travelling on the Authority's business for 'approved duties' as set out in **Schedule 2**. Where Members travel on the Authority's business they are expected to travel by the most cost effective means. In assessing cost effectiveness regard will be given to journey time. A Member who does not travel by the most cost effective means may have his/her claim abated by an appropriate amount.

10.3 Where possible Members should share transport.

10.4 The distance claimed for mileage should be the shortest reasonable journey by road from the point of departure to the point at which the duty is performed, and similarly from the duty point to the place of return.

10.5 The rates of Members' travel and subsistence allowances are set out in **Schedule 3** and are subject to annual review by the Independent Remuneration Panel for Wales.

10.6 Where a Member is suspended or partially suspended from his or her responsibilities or duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000 (Conduct of Members), or regulations made under the Act, any travel and subsistence allowances payable to him/her in respect of that period for which he or she is suspended or partially suspended must be withheld by the Authority.

## **11. Travel by Private Vehicle**

11.1 The Independent Remuneration Panel for Wales has determined that the maximum travel rates payable should be the rates set out by Her Majesty's Revenue & Customs for the use of private cars, motor cycles and pedal cycles plus any passenger supplement.

11.2 The mileage rates for private vehicles as determined by the Independent Remuneration Panel for Wales are set out in **Schedule 3**.

11.3 Where a Member makes use of his/her private vehicle for approved duty purposes, the vehicle must be insured for business use. Proof of appropriate insurance must be provided to the Authority on request.

## **12. Travel by Public Transport**

### **12.1 Rail/Coach Travel**

Unless otherwise authorised rail tickets will be second-class.

Democratic Services or Cabinet Support Office, as applicable, will usually purchase requisite rail and coach tickets for Members in advance of journeys. In the unlikely event that a Member needs to purchase a ticket directly, payment will be reimbursed upon production of the used ticket and/or a receipt.

### **12.2 Taxi Fares**

Taxi fares will only be reimbursed where their use has been authorised for cases of urgency, where no public transport is reasonably available, or a Member has a particular personal need. Re-imbusement will be upon receipt only.

### 12.3 **Air Fares**

Unless otherwise authorised flight tickets will be budget or economy class. Discounted flight tickets will be purchased well in advance wherever possible in order to reduce costs.

Travel by air is permissible if it is the most cost effective means of transport. Authorisation of the Monitoring Officer is required and tickets will usually be purchased by Democratic Services or Cabinet Support Office, as applicable.

### 12.4 **Travel Abroad**

Travel abroad on the Authority's business will only be permitted where authorised by the Monitoring Officer. Democratic Services or Cabinet Support Office, as applicable, will usually arrange travel and accommodation.

### 12.5 **Other Travel Expenses**

Members will be entitled to reimbursement of toll fees, parking fees, overnight garaging and other necessary travel associated expenses. Re-imbusement will be upon receipt only.

## 13. **Overnight Accommodation**

13.1 Overnight stays will only be permitted where the Authority's business extends to two days or more, or the venue is at such a distance that early morning or late night travel would be unreasonable. All overnight stays must receive prior authorisation from the Monitoring Officer.

13.2 Overnight accommodation will usually be booked by Democratic Services or Cabinet Support Office, as applicable. Wherever possible the overnight accommodation will be pre-paid or invoiced.

13.3 Direct booking of overnight accommodation by a Member will only be permitted in the event of an emergency. Reimbursement will only be made upon the production of a receipt and will be at a level deemed reasonable and not in excess of the rates set out in **Schedule 3**.

## 14. **Subsistence Allowance**

14.1 The day subsistence rate to meet the costs of meals and refreshments in connection with approved duties (including breakfast when not provided as part of overnight accommodation) is set out in **Schedule 3**. The maximum daily rate covers a 24 hour period and can be claimed for any meal that is relevant, providing such a claim is supported by receipt(s).

14.2 No provision is made for subsistence claims within the Council's administrative boundaries.

## 15. **Claims and Payments**

15.1 A claim for travel and subsistence allowances must be made in writing within three months of the end of the calendar month in which entitlement to allowances arises and must be accompanied by the relevant receipts.

15.2 Allowances will be paid by the Council's Payroll team by BACS transfer.

## 16. **Pensions**

16.1 The Authority shall enable its Members who are eligible to join the Local Government Pension Scheme.

## **17. Compliance**

- 17.1 In accordance with the Regulations, the Authority must comply with the requirements of the Panel in respect of the monitoring and publication of payments made to members and co-opted members as set out in **Schedule 4**.

**Members are reminded that expense claims are subject to both internal and external audit.**

**SCHEDULE 1**

**SCHEDULE OF REMUNERATION 2016-17**

<b>MEMBERS ENTITLED TO BASIC SALARY</b>	<b>ANNUAL AMOUNT OF BASIC SALARY</b>
1. Cllr Ali Ahmed 2. Cllr Manzoor Ahmed 3. Cllr Dilwar Ali 4. Cllr Gareth Aubrey 5. Cllr Fenella Bowden 6. Cllr Joe Boyle 7. Cllr Ed Bridges 8. Cllr Tricia Burfoot 9. Cllr Joseph Carter 10. Cllr Paul Chaundy 11. Cllr Ralph Cook 12. Cllr Jayne Cowan 13. Cllr Kirsty Davies - Warner 14. Cllr Chris Davis 15. Cllr Jonathan Evans 16. Cllr Lisa Ford 17. Cllr Susan Goddard 18. Cllr Russell Goodway 19. Cllr Iona Gordon 20. Cllr Ashley Govier 21. Cllr Andrew Graham 22. Cllr David Groves 23. Cllr Gavin Hill-John 24. Cllr Gareth Holden 25. Cllr Lyn Hudson 26. Cllr Garry Hunt 27. Cllr Keith Hyde 28. Cllr Mohammad Javed 29. Cllr Keith Jones 30. Cllr Margaret Jones 31. Cllr Heather Joyce 32. Cllr Bill Kelloway 33. Cllr Sam Knight 34. Cllr Kate Lloyd 35. Cllr Chris Lomax 36. Cllr Julia Magill 37. Cllr Gretta Marshall 38. Cllr Neil McEvoy 39. Cllr Derrick Morgan 40. Cllr Jim Murphy 41. Cllr David Rees 42. Cllr Dianne Rees 43. Cllr Adrian Robson 44. Cllr Eleanor Sanders 45. Cllr Elaine Simmons 46. Cllr Ed Stubbs 47. Cllr Ben Thomas 48. Cllr Graham Thomas 49. Cllr Huw Thomas	£13,300

50. Cllr Lynda Thorne	
51. Cllr Chris Weaver	
52. Cllr Susan White	
53. Cllr Caro Wild	
54. Cllr Darren Williams	

	<b>SENIOR SALARY ENTITLEMENTS (includes Basic Salary)</b>		<b>ANNUAL AMOUNT OF SENIOR SALARY</b>
	<b>ROLE</b>	<b>MEMBER</b>	
1.	Leader	Cllr Phil Bale	£53,000
2.	Deputy Leader	Cllr Sue Lent	£37,000
3.	Cabinet Member – Community Development, Co-operatives and Social Enterprise	Cllr Peter Bradbury	£32,000
4.	Cabinet Member – Corporate Services and Performance	Cllr Graham Hinchey	£32,000
5.	Cabinet Member – Education	Cllr Sarah Merry	£32,000
6.	Cabinet Member – Environment	Cllr Bob Derbyshire	£32,000
7.	Cabinet Member – Health, Housing and Wellbeing	Cllr Susan Elsmore	£32,000
8.	Cabinet Member – Skills, Safety and Engagement	Cllr Daniel De’Ath	£32,000
9.	Cabinet Member – Transport, Planning and Sustainability	Cllr Ramesh Patel	£32,000
10.	Chairperson of Children and Young People Scrutiny Committee	Cllr Richard Cook	£22,000
11.	Chairperson of Community and Adult Services Scrutiny Committee	Cllr Mary McGarry	£22,000
12.	Chairperson of Economy and Culture Scrutiny Committee	Cllr Rod McKerlich	£22,000
13.	Chairperson of Environmental Scrutiny Committee	Cllr Paul Mitchell	£22,000
14.	Chairperson of Policy Review and Performance Scrutiny Committee	Cllr Nigel Howells	£22,000
15.	Chairperson of Planning Committee	Cllr Michael Michael	£22,000
16.	Chairperson of Licensing & Public Protection Committees	Cllr Jacqueline Parry	£22,000
17.	Chairperson of Democratic Services Committee	Cllr Elizabeth Clark	£22,000
18.	Leader of the Largest Opposition Group	Cllr Judith Woodman	£22,000
19.	Leader of the Conservative Group	Cllr David Walker	£17,000
<i>A maximum of 19 senior salaries for the City of Cardiff Council may be paid and this has not been exceeded.</i>			



ENTITLEMENT TO CIVIC SALARIES		ANNUAL AMOUNT OF CIVIC SALARY
ROLE	MEMBER	
Civic Head (Mayor / Chair)	Cllr Monica Walsh	£24,000
Deputy Civic Head (Deputy Mayor / Chair)	Cllr Georgina Phillips	£18,000

ENTITLEMENT AS STATUTORY CO-OPTES		AMOUNT OF CO-OPTES ALLOWANCES
ROLE	MEMBER	
Chairperson of Standards & Ethics Committee	Richard Tebboth	£256 Daily Fee £128 ½ Day Fee
Chairperson of Audit Committee	Ian Arundale	£256 Daily Fee £128 ½ Day Fee
Statutory Co-optees – ordinary members:		
Audit Committee	<u>Audit Committee</u> • Prof. Maurice Pendlebury • David Hugh Thomas (1 vacancy)	
Children & Young People Scrutiny Committee	<u>Children &amp; Young People Scrutiny Committee</u> • Patricia Arlotte • Carol Cobert • Karen Dell'Armi (as from 11 July 2016) • Hayley Smith	£198 Daily Fee £99 ½ Day Fee
Standards & Ethics Committee	<u>Standards &amp; Ethics Committee</u> • Dr James Downe • Hollie Edwards-Davies • Lizz Roe • David Hugh Thomas • Community Councillor John Hughes	
Statutory Co-optees – ordinary members of Standards Committees who also chair Standards Committees for Community Councils	• Dr James Downe • Hollie Edwards-Davies • Lizz Roe • David Hugh Thomas	£226 Daily Fee £113 ½ Day Fee

MEMBERS ELIGIBLE TO RECEIVE CARE ALLOWANCE	
All Members	Up to a maximum of £403 per month

## **SCHEDULE 2**

### **Approved duties:**

- attendance at a meeting of the Authority or of any committee of the Authority or of any body to which the Authority makes appointments or nominations or of any committee of such a body;
- attendance at a meeting of any association of authorities of which the Authority is a member;
- attendance at any other meeting the holding of which is authorised by the Authority or by a committee of the Authority or by a joint committee of the Authority and one or more other Authorities;
- a duty undertaken for the purpose of or in connection with the discharge of the functions of Cabinet;
- a duty undertaken in pursuance of a standing order which requires a Member or Members to be present when tender documents are opened;
- a duty undertaken in connection with the discharge of any function of the Authority which empowers or requires the Authority to inspect or authorise the inspection of premises;
- attendance at any training or developmental event approved by the Authority or its Cabinet.

### **SCHEDULE 3**

#### **Mileage Rates**

All sizes of private motor vehicle Up to 10,000 miles Over 10,000 miles	45 pence per mile 25 pence per mile
Private Motor Cycles Pedal Cycles	24 pence per mile 20 pence per mile
Passenger supplement	5 pence per passenger per mile

#### **Subsistence Allowance**

The day subsistence rate is up to a maximum of £28 and covers a 24 hour period and can be claimed for any meal if relevant provided such a claim is supported by receipts.

Re-imbusement of alcoholic drinks is not permitted.

#### **Overnight Stay**

The maximum allowances for an overnight stay are £200 for London and £95 for elsewhere.

A maximum of £30 is available for an overnight stay with friends or relatives whilst on approved duty.

## **SCHEDULE 4**

### **Compliance**

- The authority will arrange for the publication on the council's website the total sum paid by it to each member and co-opted member in respect of salary, allowances, fees and reimbursements not later than 30 September following the close of the year to which it relates. In the interests of transparency this will include remuneration from all public service appointments held by elected members.
- The authority will publish on the council's website a statement of the basic responsibility of a councillor and role descriptors for senior salary office holders, which clearly identify the duties expected.
- The authority will publish on the council's website the annual schedule of Member Remuneration not later than 31 July of the year to which the schedule refers.
- The authority will send a copy of the schedule to the Independent Remuneration Panel not later than 31 July of the year to which the schedule refers.
- The authority will maintain records of member/co-opted members' attendance at meetings of council, cabinet and committees for which a member/co-opted member may submit a claim for travel allowance and/or co-optees' fee.
- The authority will arrange for the publication on the council's website of annual reports prepared by members.
- When the authority agrees a paid substitution for family absence it will notify the Independent Remuneration Panel within 14 days of the date of the decision of the details including the particular post and the duration of the substitution.

**CITY & COUNTY OF CARDIFF  
DINAS A SIR CAERDYDD**



**COUNCIL:**

**28 JULY 2016**

**REPORT OF INTERIM MONITORING OFFICER**

**APPOINTMENT TO TEMPORARY GOVERNING BODIES**

**Reason for this Report**

1. To appoint a parent governor to the temporary governing body of the new Welsh Medium Primary School on the Hamadryad site - Ysgol Gynradd Gymraeg Hamadryad.

**Background**

2. The New Maintained Schools (Wales) Regulations 2005 (the Regulations) state that where any proposals to establish a maintained school have been published under any enactment, the local authority may make arrangements to appoint governors to Temporary Governing Bodies under Section 34 of the Education Act 2002 (the 2002 Act) in anticipation of the approval of the proposals or in anticipation of a determination by the authority that the proposals should be implemented.

The Council's Cabinet at its meeting on 10 December 2015 received a report detailing the responses received following consultation on proposals regarding provision in and around the Butetown, Canton, Grangetown and Riverside areas. The Cabinet agreed for the Council to progress to the next stage and publish a legal statutory notice to:

- Establish a new FE Welsh-Medium Primary School with nursery on the Hamadryad site located adjacent to the Hamadryad playing fields off Hamadryad Road Cardiff. The school is to open initially at 1 FE only in temporary accommodation adjacent to the Ninian Park Primary School site in the accommodation formerly occupied by Ysgol Tan yr Eos on Virgil Street, Cardiff from September 2016 and transfer to its permanent site adjacent to Hamadryad Park from September 2017.

The statutory notice was published on 7<sup>th</sup> January 2016 and allowed a period of 28 days from the date of publication for receipt of formal objections to the proposals. The proposals were approved at the Council's Cabinet meeting of 10<sup>th</sup> March 2016.

A temporary governing body was established in January 2016 in anticipation of the approval of the proposals.

## **Issues**

3. Where the need for a temporary governing body arises, it is the statutory duty of the Council to appoint the Local Authority and Parent governors. The Local Authority Governors Panel met on 21 January 2016 to consider the applications for the Local Authority governor positions and their recommendations were approved by Full Council on 28 January 2016. Full Council also appointed parent governors to the temporary governing body at its meeting on 28 January 2016.

## **Reasons for Recommendations**

4. To ensure that the Council fulfils its statutory functions in respect of appointments to Temporary Governing Bodies.

## **Legal Implications**

5. Section 34 of the 2002 Act and Part 2 of the Regulations set out the arrangements that need to be put in place for the temporary government of new maintained schools.
6. In accordance with Section 34 of the 2002 Act, there is a requirement for the local authority to make arrangements for the constitution of a temporary governing body. Regulation 5(1) of Part 2 of the Regulations enables the local authority to put in place arrangements to establish a temporary governing body for a new maintained school once proposals for the new school have been published via a statutory notice. This includes the appointment of Local Authority, Parent and Staff governors in accordance with the Government of Maintained Schools (Wales) Regulations 2005 and the Regulations
7. With regards to the appointment of a temporary Staff governor, the local authority must first make a decision whether a temporary Staff governor should be included on the temporary governing board of the new school in accordance with regulation 10 of the Regulations. This decision is currently being made and if the decision is to proceed with an appointment, then Council will be asked to agree the appointment of a staff governor in a later Report. Any person so appointed following such decision must be employed at a maintained school otherwise than as a teacher.
8. The number of each category of governor required for a temporary governing body are set out in regulation 21 of the Regulations and (in the context of a community school) regulation 13 of the Government of Maintained Schools Wales Regulations 2005.
9. 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. standing orders and financial regulations; (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**

10. There are no financial implications arising from this report.

### **Recommendation**

11. The Council is asked to agree:

1. The appointment of one parent governor to the temporary Governing Body of Ysgol Gynradd Gymraeg Hamadryad as listed in Appendix 1.

**DAVID MARR**  
**Interim Monitoring Officer**

Date: 22 July 2016

*The following Appendix is attached:*

Appendix 1	Table containing details of one parent school governor for appointment to the temporary governing body of Ysgol Gynradd Gymraeg Hamadryad, with criteria for appointment
------------	--

*The following Background Documents have been taken into account:*

The New Maintained Schools (Wales) Regulations 2005

The Education Act 2002

The Government of Maintained Schools (Wales) Regulations 2005

Mae'r dudalen hon yn wag yn fwriadol



## Appointment to the Temporary Governing Body for the new Welsh-Medium primary school on the Hamadryad site – Ysgol Gynradd Gymraeg Hamadryad

	Ward	Start of Vacancy	Applications Received	Approved Yes/No
<b>PARENT</b> (1 x Parent Governor appointment required)	<b>Butetown</b>	<b>01/02/2016</b>	Dr Eleri James	

### Notes

- Applications are from experienced governors
- Governors can serve on two governing bodies and also a temporary governing body
- The New Maintained Schools (Wales) Regulations 2005 state that “any person responsible for the appointment of a person as a temporary governor must have regard to the desirability of that person being suitably experienced. A person is defined as being suitably experienced if he or she has served as a governor or a temporary governor of a maintained school.
- In the case of parent governor appointments, The New Maintained Schools (Wales) Regulations 2005 state that “no person may be appointed as a temporary parent governor of the new school unless –
  - (a) he or she is the parent of a child who is to become a registered pupil at the school
  - (b) where it is not reasonably practical to appoint such a person, he or she is the parent of a child of compulsory school age.”
 All applications from parent governors meet these criteria.

Mae'r dudalen hon yn wag yn fwriadol

**COUNCIL****28 JULY 2016**

---

**REPORT OF INTERIM MONITORING OFFICER**

---

**VARIATION TO THE SIZE OF, AND THE ALLOCATION OF SEATS ON,  
SCRUTINY COMMITTEES****Reason for this Report**

1. The Council is requested to approve a variation in the size of Scrutiny Committees from that agreed at Annual Council on 26 May 2016 and to approve consequent changes in membership in accordance with Party Group wishes and the statutory requirements concerning political balance.

**Background**

2. The Constitution provides that at its Annual meeting the Council will establish and decide on any amendments to its standing Committees and their size, terms of reference and allocation of seats.
3. The Local Government and Housing Act 1989 requires the Council to allocate Committee seats to political groups in proportion to the size of the Groups on the Council as far as is reasonably practicable.

**Issues**

4. The matter of vacancies on Committees was highlighted in the Wales Audit Office Corporate Assessment Follow on Report in February 2016: Improvement Proposal P3(b).
5. In response to the Assessment Report this matter has been considered by the Party Group Whips and their Party Groups; the Scrutiny Chairs Liaison Group; the Interim Monitoring Officer; and senior officers.
6. Following discussions with these groups on a way forward it is proposed that the size of Scrutiny Committees be reduced for the remainder of this municipal year from 9 to 8 Members.
7. This proposal will ensure that three of the five Scrutiny Committees have full membership and the Economy and Culture and Policy Review and Performance Scrutiny Committees have one vacancy each. These vacancies are to be filled by the main party in accordance with the political balance on these committees as set out in Table A in this report.

**TABLE A - Distribution of Seats Municipal Year 2016/17 in accordance with Party Group Wishes**

Committee	Number of Seats	Labour	Lib Dem	Cons	Plaid	** Independent Members
<b>No of Members</b>	<b>75</b>	<b>43</b>	<b>15</b>	<b>9</b>	<b>4</b>	<b>**4</b>
<b>Overall Percentage</b>		<b>60.6%</b>	<b>21.2%</b>	<b>12.6 %</b>	<b>5.6%</b>	<b>-</b>
<b>Total No Seats allocated in accordance with Political balance requirements</b>	<b>134</b>	<b>82</b>	<b>28</b>	<b>17</b>	<b>7</b>	
<b>Ordinary Committees Total No Seats</b>	<b>94</b>	<b>*59</b>	<b>23</b>	<b>*10</b>	<b>0</b>	<b>*2</b>
<b>Scrutiny Committees</b>						
<b>Children &amp; Young People</b>	8	5	2	1		
<b>Community &amp; Adult</b>	8	5	1 (*1)	(*1)		*2
<b>Economic &amp; Culture</b>	8	5	2	1		
<b>Environment</b>	8	5	2	1		
<b>Policy Review &amp; Performance</b>	8	5	1 (*1)	1		*1
<b>No of Seats</b>	<b>40</b>	<b>25</b>	<b>8</b>	<b>4</b>	<b>0</b>	<b>0</b>
<b>Total number of seats allocated</b>	<b>134</b>	<b>84</b>	<b>31</b>	<b>14</b>	<b>0</b>	<b>5</b>
<b>Total Percentage</b>		<b>62 6%</b>	<b>23.2%</b>	<b>10.4%</b>	<b>0</b>	<b>3.8%</b>

\*\* Individual Independent Members un-grouped

\*Seats given up to Individual independent Members

8. The Liberal Democrat and Conservative Groups have offered an allocation of their seats to un-grouped Members for this municipal year; and the Plaid Cymru Group advised the Whips that they did not wish to take up their allocation of Committee seats, and these have been distributed amongst the other Groups.
9. Under the rules on political balance, the Council may adopt an alternative arrangement to strict political proportionality for the allocation of seats on Committees and distribute seats on a different basis provided that notice of such proposal is given in the Council Summons, and the alternative arrangement is approved by Council, without any Member voting against the arrangement (referred to as a 'nem con' vote). This was approved by Council on 26 May 2016.

### Legal Implications

10. Sections 15 to 17 of the Local Government and Housing Act 1989 ("the 1989 Act") and the Local Government (Committees and Political Groups) Regulations 1990 ("the 1990 Regulations") lay down requirements designed to ensure that there is political balance on Committees. The rules apply to all ordinary committees, advisory committees, scrutiny committees, the Democratic Services Committee, Audit Committee, and joint committees where the Council appoints 3 or more seats, but do not apply to the Standards and Ethics Committee.

11. The Annual Council Meeting on 26 May 2016 reviewed the political make up of its Committees in accordance with the principles set out in Section 15 of 1989 Act, those principles being:
- (a) not all seats on a Committee should be allocated to the same political group;
  - (b) the majority group on the Council should form the majority on the Committee;
  - (c) subject to (a) and (b), that the proportion of seats allocated to each political group on the total of all Committees should be the same as the proportion of Council Members who belong to that group; and
  - (d) subject to (a)–(c), that the proportion of seats allocated to each political group on each Committee should be the same as the proportion of Council Members who belong to that group.
12. Where a local authority has determined the allocation of political groups on a Committee, it is under a duty to give effect to the wishes of those groups with regard to the identities of the persons who are to represent that group on the Committee (pursuant to Section 16 of the 1989 Act). Regulation 15 of the 1990 Regulations contains a residual power for the Council to make appointments if the political groups fail to do so.

### **Financial Implications**

13. Assuming that the number of Committees and their size remains unchanged there are no additional financial implications arising from this report that have not been included within the Council's budget for 2016/17.

### **RECOMMENDATIONS**

That the Council

- (1) approves the variation in size of the Council's established Scrutiny Committees from 9 to 8 Members for the remainder of this municipal year;
- (2) approve any changes in membership of these Committees as provided by Party Group Whips;
- (3) give delegated powers to the Interim Monitoring Officer to give effect to any changes in membership received after the meeting so that these can be implemented in time for the next cycle of meetings.

**DAVID MARR**  
**Interim Monitoring Officer**

21 July 2016

Background papers

Wales Audit Office Corporate Assessment Follow on Report in February 2016

Wales Audit Office Corporate Assessment Follow on Report – Statement of Action Cabinet 21 March 2016

Establishment of Committees, Size, Terms of Reference and allocation of seats 26 May 2016

Annual Council minutes 26 May 2016

Mae'r dudalen hon yn wag yn fwriadol