

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

8 SEPTEMBER 2015

Present: County Councillor Howells(Chairperson)
County Councillors Hunt, McKerlich, White, Murphy and Thomas

27 : APOLOGIES FOR ABSENCE

None

28 : DECLARATIONS OF INTEREST

The Chairperson advised Members that they had a responsibility under Article 16 of the Members Code of Conduct to declare any interests and complete Personal Interest Forms at the commencement of the agenda item in question. Members were also reminded that if they have completed Annual Forms there was still a need to disclose any interest, to clearly inform the meeting of the interest in question, to complete a personal interest form and to indicate if they are withdrawing from the meeting.

29 : MINUTES

The Minutes of the 7 July 2015 were approved as a correct record.

30 : WALES AUDIT OFFICE IMPROVEMENT REPORT 2014/15

The Chairperson welcomed Representatives from the Wales Audit Office:
Non Jenkins – Local Government Manager
Chris Pugh – Performance Audit Lead.

The Chairperson welcomed Representatives from the Council
Councillor Graham Hinchey - Cabinet Member for Corporate Services and Performance.
Paul Orders – Chief Executive
Christine Salter – Corporate Director Resources
Martin Hamilton – Chief Officer, Change & Improvement

The Chairperson advised Members this was an opportunity to consider the Annual Improvement Report for 2014/15, issued to the Council by the Wales Audit Office in August 2015. This was in addition to the more in-depth Corporate Assessment the Auditor General undertook once every 4 years. That took place in September 2014, the review of which this Committee would consider early in 2016 and as mentioned above, WAO colleagues Non Jenkins and Chris Pugh were observing in preparation for the review.

The Chairperson invited Non Jenkins to give a verbal report of the Auditor General's key messages.

Non Jenkins advised this was the first time to attend Scrutiny and meet the Committee Members on this matter. An overview was provided on the work to date the Wales Audit Office had undertaken, including work carried out by the CSIW and

Estyn. The key points and challenges were outlined. The corporate arrangements were assessed and recommendations provided last year. Change across the council was developing with creation of the Organisational Development Programme and this was seen as pivotal to enhanced performance.

The Chairperson thanked Non Jenkins and invited Councillor Hinchey to make a statement.

Councillor Hinchey explained the Council was experiencing a significant shift in working practices. The dynamics of Cardiff were unique and even in these times of shrinking budgets the Council was still trying to attract and develop economic growth into the city. Positive measures had been established to support improvement with the introduction of the Star Chamber and Challenge Forum, where Directors would be held to account and challenged on their performance and progress. Personal Performance Development Review's were ongoing and encouraged employees to take ownership of their work. The introduction of the Cardiff Managers' Programme was a training tool to support middle managers in the organisation and improve performance. These positive steps were contributing to the change programme and supporting working practices in these crucial economic times. Culture change in the organisation was inevitable and this would be reflected in the Corporate Plan. Improvement and development was on-going and this culture change would create an organisation that provided services with less resources.

The Chief Executive thanked the Wales Audit Office for providing an insight and agreed it was useful to have that information prior to the inspection in October. Positive improvement was being realised across the organisation, with tracking systems in place to monitor development. Significant progress could be seen in Safeguarding, along with improvement in Schools recorded by Estyn. CSIW reports recorded progress in Social Services which demonstrated that major challenges were being addressed.

The Chairperson invited Members to ask questions.

Members drew attention to the increasing demand for service delivery and how the Council was having to develop statutory services to residents and business. It was recognised that the NNDR contribution of Cardiff was far greater than other cities in Wales, however Cardiff received a much lesser financial settlement from Welsh Government.

Non Jenkins recognised that Cardiff contributed highly in this instance, and advised that procedures were in place to deal with this. However, the Council needed essential governance arrangements in place to test and regulate its service delivery. Financial stability was essential for improvement and this should be reflected in the financial plans. Risks were recognised and the priority was to move forward with on-going development and improvement focusing on performance.

The Chief Executive recognised there was a rigid financial system in place, which didn't entirely support a capital city. This 80/20 split of funding between Government Grant and Council Tax was a cause for concern and work was ongoing, involving the WLGA to address these issues. Non Jenkins explained that all local authorities in Wales were experiencing change. The historical working practices in public services were unsustainable and change was inevitable in order to support service delivery.

The change culture should be embedded into the working practices of the organisation and employees should be proactive and adaptable to this approach.

Members were advised that change commenced within the basic working practices of an organisation. Initial self regulation was vital, along with performance management and improvement. Communication on these changes should be relayed to all parts of the organisation in order to support staff morale.

The Committee was advised that further work was required to develop these changes in the organisation. More time was needed to improve performance and develop services across the organisation, including working alongside Estyn and CSIW to enhance service in specific areas. Following last year's corporate assessment evidence is required to see if planned changes were realised.

The Committee drew attention to the national performance indicators in the Report and asked which four were found to be satisfactory. **This information to be provided to Committee.**

RESOLVED: The Committee AGREED that the Chairperson writes on behalf of the Committee to the Cabinet Member to convey their comments and observations.
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31 : STATUTORY ANNUAL IMPROVEMENT REPORT 2014/15

The Chairperson welcomed the following to the meeting.

Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance

Paul Orders, Chief Executive

Christine Salter, Corporate Director Resources

Martin Hamilton, Chief Officer Change & Improvement

The Chairperson advised Members that they had an opportunity to consider the Council's Improvement Report 2014/15, a statutory requirement of the Local Government Measure 2009 that sets out the Council's Improvement Objectives and summarises its performance compared with previous years and compared with all other Local Authority in Wales using Welsh Government and Data Unit Wales National Strategic Indicators (NSI) and Public Accountability Measures (PAM).

The Chief Executive provided the Committee with a presentation on corporate performance, which covered the following areas:

- Review of Improvement Report
- Headline National Performance indicators 2014/15
- NSI and PAM indicator position 2012/13 to 2014/15
- Progress in meeting Corporate Plan commitments
- Performance in relation to key council priorities
- Organisational Development Programme

The Committee acknowledged there were some areas, especially in Social Services where failings were recorded. The Chief Executive stated that the Council's

comparative performance was not good enough, as demonstrated by NSIs and PAMs, and that there remained room for considerable improvement. The Chief Executive outlined the steps that had been taken to improve performance in Social Services.

The Committee drew attention to the public's perception of the Council's performance and how this message was being delivered into the public domain. Further, the Committee drew attention to the Cardiff Debate and asked if it was flawed.

Councillor Hinchey explained the Cardiff Debate was established so the Council could engage with communities to listen to ideas and opinions on the future operations of Council services, in order to respond effectively to budget reductions whilst continuing to deliver high quality services. It was recognised this was the largest collation of data in the UK, to which had resulted in a number of learning outcomes and the opportunity to participate in a conversation had been hugely welcomed by the citizens.

The unique dynamics of Cardiff was addressed and it was accepted that priorities for citizens in Cardiff were different to that of rural communities. Figures relating to Looked After Children reflected the fact that these children were being returned back into county (Cardiff) which had a detrimental impact on the number of times a child changed schools.

Members of the Committee were advised that citizens were being informed of Quarterly Report outcomes via twitter feed. However, it was recognised the Council on some occasions was not a lead driver in presenting performance information. Improvements were realised in Social Services, but the reporting mechanism of the indicators went against the results. Focus should be directed at how this information was presented, along with citizen friendly accessible online information pages.

Councillor Hinchey drew attention to the current Personal Performance Development Review compliancy. The Council was 90% compliant and there was still room for improvement. It was essential for employees for become engaged in the process and take ownership for their work. A steady decline was reported in sickness absence and a double response rate for the staff survey indicated that employees embraced engagement.

Members of the Committee acknowledged there were improvements in Education. Clear progress was beginning to show with Cardiff being hailed as one of the most liveable cities. Unfortunately, concern was focused towards Children Services, with the Corporate Plan reporting 66% of targets missed in this area. This was seen as a safeguarding issue and it was crucial that staff be made aware of the consequences of these failings.

The Chief Executive assured the Committee that progress was being made in Children's Services. Positive measures had been put in place to deal with various issues and this included managing staff engagement, and recruitment and retention more effectively.

Members were provided with information on the following progress in Children Services:

- Recommended Decision Referrals – 90%
- Timely Comprehensive Initial Assessments – 80%
- Care Assessments – 82%
- Initial Child Protection investment – 96%

Significant changes were beginning to develop and the service was beginning to stabilise.

The Committee was concerned with Cardiff's position in the National Strategic Indicators (NSI) and Performance Accountability Measures (PAMs) when compared to other 21 local authorities across Wales, Cardiff was 22.

The Chief Executive explained to the Committee this was a fluid picture. In 2013/14 70% of indicators had improved. In 2014/15 the overall performance had been affected adversely by results in Children's Services. In a number of cases, this reflected policy choices that, while improving the ability of the service to discharge its safeguarding responsibilities, negatively impacted on NSI/PAM results. The example was given of seeking to reduce the number of out of county placements for Looked After Children.

RESOLVED: The Committee AGREED that the Chairperson writes on behalf of the Committee to the Cabinet Member to convey their comments and observations.
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32 : QUARTER 1 PERFORMANCE 2015/16

The Chairperson advised the Committee that this item gave Members the chance to examine the Council's performance from April to June of this year, and to feed any comments or concerns Members might have into the monitoring process prior to Cabinet considering the report on 17 September 2015.

The Chairperson invited Councillor Hinchey to make a statement.

Councillor Hinchey drew attention to the Personal Performance Development Review shift in compliance. This had improved and with employees being provided with clear objectives and greater emphasis being placed on employee engagement and contribution. Complaints were decreasing and sickness absence figures were the lowest in Quarter 1 figure for five years. The introduction of the Health & Wellbeing Policy had contributed towards a lower level of absence and this was welcomed by the trade unions.

The Committee was advised that across all Directorates 82.03% of the Corporate Plan commitments were Green and 56.35% of Performance Indicators were Green. The Performance reports for Q1 had been through 'Star Chamber' sessions where Cabinet Members and Directors had reviewed and challenged performance and agreed actions that needed to be taken to address issues raised in the report.

The following Star Chamber Actions were relayed to the Committee.

Adult Social Care

- A clear, easy to understand narrative to be developed around the Programme for Change and sessions to be delivered to Members to support
- Establish an improved Management Information System in Adult and Social Care

Children's Services

- LAC Traineeship Scheme relaunched – five young people in placements
- Update regrading Corporate Legal Support to be provided at Q2t

City Operations

- Improve the compliance with PPDR process across the Directorate to ensure that 95+ level was reached

Education and Lifelong Learning

- Establish a clear strategy to improve the recruitment and retention of high quality school governors
- Undertake work with Children's Services to ensure a joined up approach, especially in relation to Looked After Children, with a detailed analysis of the issues coming back to Cabinet.

The Members were advised of the issues experienced by Adult Services of the complexity involved when patients were discharged from hospital. An Action Plan was jointly being developed with Health and the Vale of Glamorgan to try and establish a more streamlined approach to these processes.

The Committee was advised that the Challenge Forum, considered an "Update on the Organisational Development (ODP) and Budget Strategy. Given that the WAO, in its Corporate Assessment, made one single recommendation that "the Council ensures the implementation of its Organisational Development Plan and resolved the range of issues identified in (the) assessment" the Challenge Forum were invited to assess progress and reflect on the organisation's plan for financial resilience as well as specific plans for social services and education.

The Chairperson thanked Officers for the information provided and invited Members of the Committee to ask questions.

The Committee was advised that reference to staffing costs included the overtime budget and agency spend. The cost also included staffing event costs including overtime work on the bank holiday periods.

The Chief Executive confirmed that comparative information on demand pressures faced by Children Services in rural local authorities in Wales compared to Cardiff could be provided to Committee Members. Analysis had been provided by UHB on the additional pressures faced by Cardiff Council along with the demand on resources.

Members of the Committee referred to the number of complaints received, including the number of complaints recorded in Welsh. It was also noted that only 77% of

Members Enquiries were responded to in time by the City Operations Directorate. In response Members were advised that changes to the waste management service may have contributed to this low rate of response.

Councillor Hinchey emphasised the importance of the Star Chamber, an opportunity for Cabinet Member to challenge directors in order to achieve higher outcomes and expectations. This session also contributed towards the budget issues and Personal Performance Development Review engagement matters.

The Challenge Forum was a recommendation made following the Peer Review and in response to the feedback from the Wales Audit Office. Peer Advisors continued to work alongside both Directors and Cabinet Members to achieve the desired outcomes and improvements. These Peer Advisors were: Barry Quirke, Graham Williams, Andrew Cousins, Robert Hill and Rod Alcott.

Members of the Committee were keen to learn more about the dynamics of the Challenge Forum and asked if there was an opportunity for opposition Members to attend.

The Committee was concerned with the low figure relating to the P.I. linked to the number of calendar days taken to deliver a Disabled Facilities Grant. In response the Committee was advised this was as a result of issues with contractors in line with the Welsh Housing Quality Standards work.

The Committee was provided with information on the Social Services Directorate, including the breakdown of budget savings for Adult Services. The projected outturn was addressed and it was recognised that savings targets in this area were stretched with large potential overspends developing.

Members were updated on the Partnership for Change. The Employee contributions were half achieved, including a reduction to legal costs. Changes to the Voluntary severance scheme were captured, with a refined pay award and reductions to overtime and standby claims. Capital receipts were also waiting to be realised.

The Committee drew attention to the Communities and Housing Portfolio and asked how quickly people were being placed into homes as there were currently 10,000 families on the waiting list. In response the Members were advised that to date that information was not available and there was no guarantee that all savings would be achieved.

Members of the Committee were advised of the financial challenges faced in the Resources Department. Demands were being placed on resources in this area and following a service review the development of actions plans was anticipated to support the service. Further training sessions were being provided to Cardiff Middle Managers to provide information and support in financial areas.

RESOLVED: The Committee AGREED that the Chairperson writes on behalf of the Committee to the Cabinet Member to convey their comments and observations.
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The Chairperson welcomed Paul Keeping, Operational Manager for this item.

The Chairperson invited Paul Keeping to outline the improvement actions and developed as a result of the inquiry that all Scrutiny Members had been invited to contribute to.

Paul Keeping provided an overview on Scrutiny. The Scrutiny arrangements played an important Council was going through significant change in many ways and would look different in five years time. The Scrutiny Chairperson therefore initiated a Project in partnership with the Centre for Public Scrutiny to ensure that Cardiff's Scrutiny Function remained agile and able to play its role as a critical friend, in a future environment that would see greater emphasis on partnership, collaboration, commissioning and other alternative models of delivery.

Supportive information had been received from Members and this was relayed to the Committee.

Members of the Committee were of the view that Scrutiny Committee Meetings should run no longer than 3 hours. Presentations should be brief and allow for a more in depth questioning opportunity for members.

Members discussed the scope of scrutiny, with the opportunity to look at how other public bodies were performing. Performance monitoring was addressed and it was suggested that a budget/finance panel be established to monitor these issues.

RESOLVED: The Committee AGREED the draft report and to task officers to make arrangements to deliver the improvement actions.

34 : WORK PROGRAMME FOR 2015/16

The Committee Members discussed the work programme and welcomed a Task & Finish Group on Budget Monitoring and Performance.
The Committee suggested that a Task & Finish Group address Commercialism.

35 : CORRESPONDENCE UPDATE

The Committee Noted the content of the report and appendices.

36 : DATE OF NEXT MEETING

6 October 2015.