

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

23 FEBRUARY 2022

Present: Councillor Walker(Chairperson)
Councillors Ahmed, Berman, Bowen-Thomson, Cowan,
Henshaw, Lister, Mackie and Williams

63 : APOLOGIES FOR ABSENCE

The Chair had received notice from Cllr Joel Williams that due to work commitments he will join the meeting around 11am.

64 : DECLARATIONS OF INTEREST

None received.

65 : CORPORATE PLAN 2022-25 - TO FOLLOW

The Chair advised that this was an opportunity for the Committee to undertake pre-decision scrutiny of the final draft Corporate Plan 2022-25. The Leader and senior management team engaged informally with the Committee's Performance Panel and chairs of all scrutiny committees last week, focussing on the target setting process for the Corporate Plan. Following the discussion, the comments, observations, and concerns of scrutiny were relayed to the Leader and a response received shortly after, prior to publication of this final draft of the plan. The issues raised and the Cabinets response are included in the papers at appendices 2&3.

The Chair welcomed Councillor Huw Thomas, Leader of the Council; Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Paul Orders, Chief Executive; Sarah McGill, Corporate Director People & Communities; Chris Lee, Corporate Director, Resources; Gareth Newell, Head of Policy & Partnerships; and Dylan Owen, Head of the Cabinet Office.

The Chair invited the Leader and Chief Executive to make statements, after which Officers gave an oversight presentation of the Plan and any changes that have been made as a result of scrutiny engagement so far. Members were then invited to ask questions or make comments and observations.

Members noted that the Corporate Plan was a lengthy read and primarily for internal stakeholders. Members also noted that the Citizen Engagement Strategy was due in October 2022, and therefore asked how the Corporate Plan is available for external stakeholders, how often it is downloaded and how this compares to other Authorities and asked if there was an opportunity for an Executive Summary for Members of the Public to access and read easily. The Leader advised that the length and complexity of the document reflects the scale of ambition of one of the largest employers in Wales; There are detailed plans that sit below the plan which are accessible. The average citizen probably wouldn't read all the plan and only look for items of interest; there are a number of ways that the Council communicates including social media albeit in bite sized chunks and usually on individual area of policy. Information was not available on the number of times downloaded and how this compares with other

LA's, but this could be obtained if required. It was noted that there would be a review in the autumn on how best to engage with citizens and this would be undertaken by the new Administration. Officers agreed that an executive summary could be provided.

Members discussed consultation and considered that a better reach was needed as citizens feel they are not consulted and that changes are implemented without them being aware, so the consultation that is taking place is being missed. Members asked how this was going to be addressed in the citizen engagement strategy. The Leader stated that the review and strategy would look at this in depth and it was important not to pre-empt that work. He added that it was sometimes easy to accuse the Council of not enough consultation when it is about something that people may disagree with. He accepted that people sometimes miss notices on lampposts, but social media does address some concerns, planning also send out physical letters so there is a multi-channel approach taken. Officers added that the strategy will also aim to address engaging hard to reach groups and those who are not digitally connected; there will be some targeted face to face engagement; these methods will be discussed with Members in the summer.

Members noted that in previous Corporate Plan's there had been a focus on inequalities in the Southern Arc of the City, yet this does not appear to feature strongly in this years' Corporate Plan. The Leader assured Members that this does remain a focus, especially with the ongoing changes to the benefit systems, National Insurance contribution rises, increasing energy bills etc. which will disproportionately impact people living in the Southern Arc. There are limited levers the Council has to address these impacts but there is investment in schools, and services such as Into Work and Money Advice have been bolstered; health inequalities are being addressed with close relations between the Council and the Health Board; Council House building schemes being expanded etc. there was lots of work going on in this area, however the Corporate Plan introduction this year focussed on recovery and renewal following Covid.

Members considered that the new Administration needed to look at communications, particularly out of office hours communications, such as responses on social media. The Chief Executive stated that response times in a crisis and communications/dealing with these have been good, very reactive in nature during the pandemic.

Members referred to Social Care and primarily hospital discharge, noting that some people are being discharged into Care Homes as the Council are unable to provide care for them in their homes. Members wanted to know what was being done to address this. The Leader explained that this reflects the increase in budget in both Adult and Children Social Services. The unprecedented pressure is recognised. There has been hourly monitoring of hospital discharge and discharging to care homes is part of the response to get people out of hospital while care is being organised. An accelerated increase in the real living wage should help with workforce issues. This area is getting a huge amount of corporate focus and it is hoped that there will be an easing out of the winter and pandemic pressures soon. Officers added that there has been a 30% increase in demand including people who require domiciliary care, there has been a need to grow the sector in a time of crisis,

and increased effectiveness of joint working and planning has helped to meet these challenges.

Members discussed the return to the office and noted that during the pandemic some departments have been exceptional while others not so. Members considered that there needs to be work undertaken on performance post elections in May and lessons to be learned. The Chief Executive stated that overwhelmingly the organisation responded well during the pandemic; as the Council develops the hybrid model over the next 12 months, it will be critical to look at management and customer expectations. In the coming months there will be an increase in staff returning to office accommodation, but it will be nowhere near pre-pandemic. Members discussed the opportunity for HR to broaden its skillset and look at performance management for hybrid working. The CEX agreed and added that this would be part of what HR will look like in the future.

Members noted there were huge waiting lists for people awaiting hospital admissions, diagnosis and treatment which can limit their ability to work, having financial implications and impacts on their wellbeing. Members were advised that the Council are more geared up for post-hospital support currently but with a focus on more joined up and locality working going forward it was hoped this can be addressed.

Referring to recycling, Members noted that Cardiff compared unfavourably with other LA's and that the ombudsman had stated that the Council had let down people with assisted lifts. Members noted the commitment in the Corporate Plan to develop a new recycling strategy and that responsibility for this seemed to have changed portfolio as Cllr Wild was listed as having responsibility. The Leader recognised this was a typo in the report and would be amended asap. The Leader did not see the relevance of the ombudsman complaint as this pre-dated the new 4-day week plan, the Council are collecting more now than before. There had been challenges during the pandemic, including staffing and the contaminate risk, therefore a decision had been taken to collect all waste streams together for 2 months and this impacted on the recycling figures. The new Strategy was being piloted and has seen very good rates of recycling and a significant decrease in contaminated waste, the strategy would need to be taken forward by the new administration.

Members referred to Well-being Objective 7 and the use of the public purse to help recovery. Members considered that the procurement process is very complex for small businesses to navigate, and they are often put off from bidding. Members asked how the Council can assist them to access the procurement process. The Leader explained the Council has a socially responsible procurement process and that year on year there is an increased percentage of procured Council spend that is spent locally. Currently this is around 70% in Cardiff or the City Region, many of which are SME's. Members considered it may be useful to get some feedback from these on how to simplify the process further.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

Members were advised that in line with the Committee's Terms of Reference, the Committee has responsibility for taking an overview of revenue and capital budget proposals from a corporate and strategic point of view.

The agenda for scrutiny of this budget item would be split into two parts:

- a) An overview of the 2022/23 corporate wide budget proposals; Members will have an opportunity for questions before moving on. This will then be followed by:
- b) Scrutiny of the Capital Programme draft budget proposals 2022-23

The Chair welcomed Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Chris Lee, Corporate Director Resources; Sarah McGill, Corporate Director, People & Communities; Ian Allwood, Head of Finance; Gareth Newell, Partnership and Community Engagement Manager and Sian Sanders, Cohesion & Community Engagement Manager for this item.

The Chair invited Cllr Weaver to make a statement on the 2022/23 budget, after which Officers gave a corporate overview of the draft Revenue Budget. Members were invited to ask questions and make any comments or observations.

Members asked how the figure of £10m had been determined for Covid Recovery. Officers advise that they have tracked lost income, and although there are some signs of recovery, they are anticipating a £5/6m loss including pressure for next year. Officers added that there is £2m per month for recovery, however if the £10m is not sufficient, they will use earmarked reserves. The situation will be regularly monitored.

Members referred to NNDR and asked what will happen if more businesses fail due to the pandemic and the NNDR collection rate reduces. The Cabinet Member explained that the Council collects the rates, and the Welsh Government distributes monies to LA's through revenue grants. A reduction in collection does not necessarily impact the Council. However, there is a City Centre recovery plan in place and a real focus on supporting business going forward.

Members noted the Council's income generation and the winding down of the Welsh Government hardship grants and asked what contingency plans were in place in case there are more restrictions needed in the next 12 months. The Cabinet Member stated that this is very much what the £10m Covid Recovery is for, it's for Covid risks and impacts on income. This will be looked at year end and if there is an opportunity to mitigate risks and close the accounts then the earmarked reserves will be used if needed.

Members asked about the Covid risks and what had been spent on Covid support and loss of income over the last year; what the RAG rating of the £10m was and whether there was any indication of what reserves may be needed. Officers explained that £2m per month had been spent on recovery so far (at month 9); officers had modelled differing levels of risk and restrictions and are aware that some income is delayed rather than lost. The earmarked reserves for Corporate Recovery are available if needed and are considered an amber risk.

Members were concerned about the level of borrowing and increasing interest rates and asked how confident officers were on the affordability. Officers explained that they take external advice on this, there is a robust process in place which has factored in this increase as well as increasing energy costs between 13 and 24%. Officers were confident on the affordability of borrowing and that there are contingency funds in place if needed.

Members sought clarity on the term 'Edible Playground' and were advised that the Council works with a charity on education resources including growing food and education on nutrition; the Council match funds the charity contributions.

Members noted that there were no figures included for consultation engagement by young people and asked how improved engagement with this cohort would be addressed. Members were advised that the response had been disappointing, and the figures could be provided. Members were also advised that young people's responses to other surveys had been used to determine their priorities. Engaging with young people would be addressed by the Citizen Engagement Strategy in October. Members considered that there may be value in looking at the cost/benefit of the Ask Cardiff Survey.

Discussing the better-than-expected settlement from Welsh Government, Members asked if consideration had been given to the average hard-working residents facing increasing costs of living, and whether the increase in Council Tax was reasonable. The Cabinet Member explained that they felt it was the right balance; it is a 48p a week increase on a band D property, and the budget needs to look at Council financial security on a medium/long term basis.

Discussing the expansion of Free School Meals, Members asked if Welsh Government were picking up the whole cost and what timescales were involved. Members were advised that the Director of Education would respond with details on the implementation of this, which would be in phases.

Members asked if staffing costs have increased or decreased. Officers advised that there had been a net increase, but a decrease in some areas, where there is growth in the budget then staff will be recruited.

Members asked about the progress in aligning the budget with performance management work and were advised that there had been improvement over the last 5 years, and they expect to see parallel assessments going forward.

Members asked what was being done to encourage a more diverse workforce. Officers explained that there is unconscious bias training provided, un-named applications and also the work of the Race Equality Task Force, all with a focus on addressing this.

Referring to the FRM, Members asked for detail as to what it was spent on, and whether all the spends were one-off spends. Members were advised that it is used for one-off schemes and is only available for a set period and this is made very clear to all. Examples of one-off schemes in the past such as the Youth Service were provided.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

67 : DRAFT CAPITAL PROGRAMME 2022/23 - 2026/27 - TO FOLLOW

Draft Capital Programme 2022/23- 2026/7

The Chair welcomed Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Chris Lee, Corporate Director Resources, Sarah McGill, Corporate Director, People & Communities; Ian Allwood, Head of Finance and Anil Hirani, Operational Manager, Capital, Corporate & Treasury for this item.

The Chair invited Cllr Weaver to make a statement on the Capital budget & programme, after which Officers provided a presentation. Members were invited to ask questions and make comments and observations.

Members noted the move to Hybrid working but that the Capital Programme is supporting building renovation and development, so clarity was sought on this. Members were advised that this was Welsh Government money, but there were still decisions to be made on Core Office requirements. Business cases will be needed before any final decisions are made.

Referring to the supply and cost issues, Members asked how it was possible to ensure that the Capital Programme stays on track and if the Council has the capacity to deliver the programme. Members were advised that each project has a robust business case with all the known risks reflected within it. These are also reviewed annually.

Responding to queries on borrowing and risk, Officers advised that Governance and Audit Committee frequently look at this and review it regularly. They added that the current rates are 2% which may increase to 3%, in which case it will be looked at again. Business cases will always include the risks and officers are very prudent on debt repayment levels. Members wondered whether annual reviews were sufficient, and Officers explained that there is quarterly reporting where any issues would be identified.

Members asked about guarantees in business proposals in the Capital Programme and were advised that the schemes all have robust business cases and there was no indication of any red flags at the moment.

Referring to the Recycling Household Waste Centre, Members asked if there was a new plan in place. Members were advised that the project has to remain on the Capital Programme despite a new location not having been identified.

Members expressed concern that borrowing and investment for schools doesn't generate an income for the Council. Members were advised that this is the case for certain projects, but they have to go ahead, it was important to invest in assets and infrastructure for the future. The section 152 Officer is confident that the borrowing is robust and within limits set and will prevent future borrowing.

With reference to Planning gain and S106 monies, Members asked how much of these help with schools building costs. Members were advised that they help with

some and can also leverage investment. Members asked about the cost of the builds of these weren't a factor and were advised that this information would need to be provided by Finance and Education.

Members asked for a list of highways improvements that have benefitted from investment via the Capital programme on a ward-by-ward basis. Members were advised this would be difficult to provide by ward but a list could be provided.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

68 : URGENT ITEMS (IF ANY)

None received.

69 : DATE OF NEXT MEETING

8 March 2022

The meeting terminated at 1.10 pm