

ENVIRONMENTAL SCRUTINY COMMITTEE

10 JANUARY 2017

Present: County Councillor Mitchell(Chairperson)
County Councillors Clark, Hill-John and Darren Williams

48 : APOLOGIES FOR ABSENCE

No apologies for absence were received.

49 : DECLARATIONS OF INTEREST

No declarations of interest were received.

50 : MINUTES

The minutes of the meetings held on 15 November 2016 and 6 December 2016 were approved by the Committee as a correct record and were signed by the Chairperson.

51 : COMMERCIAL AND COLLABORATION SERVICES - PROGRESS UPDATE

The Chairperson welcomed Members of the Policy Review and Performance Scrutiny Committee who had been invited to attend the meeting in order to contribute to this item. Members received a report providing an opportunity to consider the progress achieved by the newly formed Commercial and Collaboration Service since it was established in June 2016.

Members were advised that the 'Infrastructure Services' project had aimed to identify a suitable model to deliver 14 Council services, whilst also making savings and improving service delivery. The gross and net expenditure of the 14 service areas within the scope of the project was £71.2 million and £26.1 million respectively. A total of 1255 FTE posts were employed by these services.

On 16 June 2016 the Cabinet approved the establishment of Commercial and Collaboration Services and Neighbourhood Services to deliver services through a Modified In-House model. The new Commercial and Collaboration Services was transferred to the Economic Development Directorate. The service is led by the Assistant Director for Commercialisation and Collaboration who reports to the Director for Economic Development. The service also reports to the Commercialisation and Collaboration Project Board, which was established to lead the improvement, modernisation and commercialisation of services. Service Improvement Plans and Financial Improvement Plans have been prepared for each service and these include content to support Commercialisation and Workforce Development.

The report provided Members of the Committee with a summary of the progress achieved to date in each of the service areas within scope of the project. Members also received details of the key objectives for 2017/18 from the area service delivery plans.

Since June 2016 officers have held regular fortnightly meetings with trade union representatives to review progress and to support stakeholder engagement. Additionally, regular staff engagement has taken place and the service plans to launch a staff newsletter early in 2017.

In terms of commercialisation, Members were advised that an analysis of the external spend for the services delivered by Commercial and Collaboration Services is currently estimated to be £123 million per annum. It is believed that some external spend is suitable for insourcing and that savings can be produced as a result of better procurement and through 'reverse selling', i.e. selling services to existing commercial partners.

A 'cost and pricing' model has been designed for Fleet Services (Central Transport Services); the feedback from which has been positive, and the service plans to roll the model out to other parts of the service during Quarter 4 2016/17. A number of other commercialisation tools are also proposed, including, the development of customer account management; fortnightly team meetings to review opportunities and a review of short term marketing opportunities.

A summary of the workforce development activities undertaken was provided. These included the creation of apprenticeships; the 'Essential Skills Initiative'; and the promotion of NVQs for frontline staff.

Members were advised that the 2016/17 budget made no specific savings for Commercial and Collaboration Services, however the services within scope were allocated a total of £3.778 million in the budget setting process. The main budget savings identified were:

- Employee Costs - £1.137 million
- Income - £736,000
- Other spend - £1.905 million

It was anticipated that the projected savings for 2017/18, 2018/19 and 2019/20 will be published in the Commercial and Collaboration Services Delivery Plan 2017 to 2020. A balanced budget was anticipated for 2017/18.

The Chairperson welcomed Councillor Bob Derbyshire, Cabinet Member for the Environment and Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance, to the meeting. The Cabinet Members were invited to make brief statements.

Councillor Derbyshire stated that the service was continually looking at ways to improve and work more effectively. The enhanced in-house delivery model carried less risk for the authority. Staff now recognised that waste collections are the driver for commercial success and they have to work in a more commercial way to in order to make the service profitable.

Councillor Hinchey said that commercialisation was happening across the authority. Staff across the authority possess a unique skills and knowledge. The authority aimed to be more business-like and the challenge facing the authority lay in identifying the skills and knowledge we are able to sell. Work was being undertaken

to bring together packages of services and to expand the offer to other public services, such as health boards.

The Committee received a presentation from Tara King, Assistant Director – Commercial and Collaboration and David Lowe, Operational Manager, providing an update on the Commercial and Collaboration Service to date. The Chairperson thanked the officers for the presentation. Members of the Committee were invited to comment, raise questions or seek clarification on the information received. Those discussions are summarised as follows:

- Responding to a question from the Committee, officers advised that 9 apprenticeships had been created. Officers were looking at every opportunity to broaden the scheme, including opportunities for looked after children. Existing staff within the cleansing teams were also being supported in terms of career progression; 12 staff had recently commenced an NVQ qualification.
- Officers confirmed that the 23 vehicles removed from the establishment were either sold or removed from the lease agreement.
- Members asked what were the criteria for measuring the success of the in-house model against the arms-length company model, what the timespan for measuring success was and how a lasting decision would be taken. Officers stated that the comparison between the in-house and arms-length models was evaluated during the consideration of the business case. Both models were broadly comparable, but the in-house model carried less risk for the authority. There were some limitations regarding the capacity at which the authority is able to trade. Officers considered that the in-house model was functioning well, but there are some areas of concern, including the service's readiness for commercialisation. It was also suggested that one or two services within the directorate may be more suited to an arms-length arrangement. However, there were unlikely to be any changes to the current structure in the next 12 months.
- In relation to service improvements and the reduction in agency use, Members asked what impact the new delivery model has had on attendance and productivity and how this impact was being compared. Members were advised that attendance in CTS was good and there were no concerns in this regard in that service area. The focus was on productivity and how to better utilise time and resources. In Collection Services there were challenges in terms of attendance and efforts were being made to accelerate the reduction in absences. Agency spend was reducing but long term sickness absence was down by just 0.5%. This remained a key priority for the Council. Officers stated that sickness absence in some service areas was always going to be relatively high due to the difficult working environment.
- The Cabinet Member for Corporate Services and Performance asked the Committee to note that within those Local Authorities that have outsourced waste collections attendance figures improve. This may be due to attendance bonuses being paid. In Cardiff, attempts were being made to change the culture and work more efficiently. Managers are charged with developing staff within their teams. A total of 370 staff have completed the Cardiff Managers Programme.

- Members asked details of the number of agency employed. Officers indicated that of 72 staff in the MRF, 6 are agency staff. Of 172 collections staff there are between 20 and 30 agency staff. This figure fluctuates and it was not possible to remove agency personnel entirely. The Cabinet Member for the Environment stated that he was surprised by the number of agency staff at Lamby Way who had expressed an interest in working for the authority. Officers advised that recruitment of a full-time pool of staff was ongoing and this included 4 new trainee HGV driver positions. Members were advised that agency staff employed for more than 2 years accrue employment rights and, if the attendance and performance were good, then the service area was seeking to develop these staff further.
- In terms of recyclables, Members asked whether there was an increased risk of contamination if an increase of the commercial waste collected was also included the waste stream. Officers indicated that commercial waste has been collected for over 20 years and already forms part of the waste stream. Commercial clients are encouraged to recycle and the recycling rate is around 30% at present. The Environment Act will force commercial businesses to recycle, and, although question marks remain over enforcement responsibilities, the Act will give officers and opportunity to increase recycling rates.
- Officers stated that staff who are returning to work after long periods of sickness absence are supported to do so. They may be given 'light duties' and those with skills gaps are given an opportunity address these. Member were advised that the NVQ qualification is based on a work-based assessment and, therefore, staff need to be actively working to achieve the qualifications.
- Officers were asked how long it had taken to introduce a fleet management system from the point of realising that it was necessary. Officers advised that a system was procured and implemented within 3 months. The Cabinet Member advised that this issue would be a matter for the Commercialisation and Collaboration Project Board. Resources were in place but the service was limited by Local Government procurement protocols.
- Members raised concerns regarding the number of schools who had opted out of School Maintenance SLAs. Members asked how many schools had opted out and whether staff were being proactive in their attempts to bring those schools back in house. Members were advised that 29 schools had opted out and only 2 high schools had returned. Officers considered that schools had lost faith in Building Maintenance Services and that efforts need to be made to rebuild these relationships.

RESOLVED – That the Chairperson writes on the Committee's behalf to the Cabinet Member to convey their comments and observations.

52 : DRAFT CYCLING STRATEGY & INTEGRATED NETWORK MAP

The Committee received a report providing Members with an opportunity to consider the 'Draft Cycling Strategy Strategy 2016 to 2026' and Cardiff's 'Integrated Network Map'. The Draft Cycling Strategy 2016 to 2026 sets out the Council's vision for cycling and the steps it intends to take over the next 10 years to realise its vision by

showing how cycling can make an important contribution to the vision of making Cardiff the most liveable capital city in Europe.

Members were advised that the document was drafted following extensive engagement with a wide range of groups, organisations and businesses. The Council is committed to continuing to engage with stakeholders to ensure that it achieves the best possible outcomes when implementing the actions set out in the strategy. The report provided Members with a summary of the various sections of the strategy.

In order to deliver the Cardiff Cycling Strategy it was vitally important that suitable infrastructure for cycling was in place. The 'Integrated Network Map' and 'Existing Route Map' set out the availability and quality of cycling and walking infrastructure in the City. The Active Travel (Wales) Act 2013 requires local authorities in Wales to plan for provision of active travel routes and demonstrate continuous improvement in delivery for active travel. This is active through the 'Existing Route Map' and 'Integrated Network Map'.

The Integrated Network Map for Walking and the Integrated Network Map for cycling have been audited using the Welsh Government auditing tools in order to assess whether they provide the required level of service in accordance with the Active Travel (Wales) Act 2013, and thereby be included on the Existing Routes Map. Members were advised that, in contrast to the existing walking routes, existing provision for cycling was fragmented and incomplete. The majority of cycle routes audited as part of the work to produce the Existing Route Map did not meet the minimum standards required by the Welsh Government Audit Tool.

All cycling routes which were considered have been included within the scope for the Integrated Network Map. In order to create a comprehensive aspirational future network of routes which will connect communities to destinations across the City. Further routes were identified from the Strategic Cycle Network Plan, the Local Development Plan, through consultation with members of the public and identified through spatial gap analysis.

Members were advised that a schedule of schemes has been developed to improve the routes shown on the Integrated Network Map. Two primary route corridors have been identified as part of the Integrated Network Map which connect strategic development sites and existing communities to major destinations including the City Centre and the Bay. The schedule of schemes proposed for the primary route corridors is intended to deliver a step change in provision for cycling by providing facilities for all ages and abilities in line with the aspirations for the emerging Cardiff Cycling Strategy.

The cycle routes and schedule of schemes within the draft Integrated Network Map were not prioritised. It is proposed that a prioritisation exercise be undertaken following public consultation on the draft Integrated Network Map and Cycling Strategy.

The Engagement Plan appended to the report provided details of the planned activities to engage stakeholders and the public throughout the 12-week public consultation period. Local member consultation was undertaken in November 2016. The Integrated Network Map was received by Cabinet on 15 December 2016. At that

meeting the Cabinet accepted a recommendation to approve the proposed engagement and consultation plan. A 12-week consultation period is required by Welsh Government as set out in the Statutory Guidance for the Delivery of the Active Travel (Wales) Act 2013.

The Chairperson welcomed Councillor Ramesh Patel, Cabinet Member for Transport, Planning and Sustainability; Andrew Gregory, Corporate Director and Gail Bodley-Scott, Section Leader, Transport Policy and Development; to the meeting.

Councillor Patel stated that the strategy set out the Council's vision in terms of cycling until 2026. He asked the Committee to note the important work that Gehl Associates had put into the development of the strategy to date. Andrew Gregory stated that cycling is increasing in progressive cities around the world and it is no coincidence the progressive cities in the UK are buoyant and are leading cycling transformation. An ambitious increase from 9% to 18% of all journeys by bicycle was targeted. If this target was achieved, then the City would feel different; economic growth would be underpinned; and there would be a transformative effect on health and to this end the Cardiff Cycling Strategy was crucial as it linked to a range of corporate priorities.

The Committee received a presentation on the Cardiff Cycling Strategy and Integrated Network Map. Members were invited to comment, raised questions or seek clarification on the information received. Those discussions are summarised as follows:

- It was noted that cycling usage has doubled over the last 10 years. Members asked whether any analysis of the reasons for the increasing in cycling has been undertaken; to what extent were other factors influencing this increase in cycling; and what else could be done to continue to make cycling more attractive and disincentivise driving. The Cabinet Member suggested that Welsh Government funding has made it possible to provide an expanded, safer, network of cycling routes. Cycling was permitted in parks and 20 mph zones meant that cyclist could travel with increased confidence. The Corporate Director suggested that measures to incentivise cycling need to be carefully considered so as not to adversely affect opportunities to drive. Modal shift was a gradual process.
- Members asked for clarification on the priority actions set out in the strategy. Members were advised that the proposed routes for the priority actions, such as the link between Heath Hospital and the City Centre, were still being discussed with partners. The existing route in Cathays Terrace/Senngenydd Road did not represent existing best practice. The Cabinet Members stated that, whilst discussions are at an early stage, in European cities routes through local shopping districts are favoured.
- Members considered that an east/west route through the City was imperative. The Cabinet Members stated that whilst routes were being considered, we are not at the decision stage. However, he welcomed the views of the Committee. The Transport Interchange development will provide an opportunity to take a broad view of the City Centre.

RESOLVED – That the Chairperson writes on the Committee's behalf to the Cabinet Member to convey their comments and observations.

53 : ENVIRONMENTAL SCRUTINY COMMITTEE - RESTORE OUR RIVERS -
DRAFT TASK & FINISH REPORT

The Principal Scrutiny Officers presented the draft Restore Our Rivers Task and Finish Report.

RESOLVED – That the report be noted.

54 : DATE OF NEXT MEETING

Members were advised that the next Environment Scrutiny Committee is scheduled for 14 February 2017.

55 : WAY FORWARD

RESOLVED – That the Committee agreed that the Chairperson writes to the Cabinet Members highlighting the issues discussed during the meeting.

The meeting terminated at 7.30 pm

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