

**CORPORATE PLAN 2017-2019**

**REPORT OF THE CHIEF EXECUTIVE**

**AGENDA ITEM: 2**

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**PORTFOLIO: LEADER (ECONOMIC DEVELOPMENT & PARTNERSHIPS)**

**Reason for this Report**

1. To enable the Cabinet to consider the draft Corporate Plan for 2017-19 and recommend it to Council for approval.

**Background**

2. The Corporate Plan forms part of the strategic policy framework set out within the Council's Constitution and is considered annually by the Council. The document outlines the organisation's strategic policy priorities and forms part of the required statutory improvement framework as it discharges the Council's obligations under the Local Government (Wales) Measure 2009 to publish a stage one plan, which sets out how the Council plans to achieve its priorities for improvement. The Corporate Plan usually covers a 3-year period and is subject to an annual refresh.
3. The Wales Audit Office (WAO) Corporate Assessment report of the City of Cardiff Council, which was published in September 2014, found that the Corporate Plan 2014-17 lacked "sufficiently clear measures of success". The Corporate Assessment also noted that "variation in the way in which directorates describe outcomes, confused use of terminology and lack of clarity about the improvement sought...mean that the Plan does not provide a clear reference point from which performance can be evaluated in the future." However, the report also noted that "the Council produced a more concise document with the aim of establishing a clearer focus on priorities".
4. In October 2014, Cabinet considered the report entitled, "Repositioning Cardiff as Europe's Most Liveable Capital City: Vision, Values and Corporate Planning". The report outlined the Council's approach to strengthening corporate and partnership planning in order to deliver the organisation's vision and address key organisational issues including those identified in the previous Wales Audit Office Corporate Assessment. The Corporate Plan 2015-17 was developed in this context and has continued to provide the plan template in subsequent years. This reflects the previous recognition by the Wales Audit Office that the

Council “made a step change in improving the quality of its 2015-16 Improvement Plan [Corporate Plan] when compared to the previous year.”

5. The Well-being of Future Generations (Wales) Act, which was passed by the National Assembly for Wales in April 2015, places a duty on public bodies to carry out sustainable development which means that the Authority must set and publish well-being objectives, supported by a well-being statement, which make progress towards meeting the seven national well-being goals that are set out below:
  - A prosperous Wales
  - A resilient Wales
  - A healthier Wales
  - A more equal Wales
  - A Wales of cohesive communities
  - A Wales of vibrant culture and thriving Welsh Language
  - A globally responsible Wales
6. The Council must also act in accordance with the ‘sustainable development principle’ by embedding the following five ways of working:
  - Long Term
  - Prevention
  - Integration
  - Collaboration
  - Involvement
7. The Council also has to develop the Corporate Plan for 2017-19 in the context of sustained severe financial pressures. The Council is facing an estimated budget reduction requirement of £25.1 million in 2017/18 and £81 million over the three year Medium Term Financial Plan period to 2019/20. This follows over £220 million in savings having already been made by the Council since 2006/07, with over 50% of these savings having been achieved between 2013/14 and 2016/17.

## **Issues**

### Corporate Priorities

8. In support of the Cabinet’s vision for Cardiff to be “Europe’s most liveable capital city”, the Council has previously set out four clear corporate priorities, which originally formed the basis of the Corporate Plan 2015-17. The majority of these priorities have been maintained in subsequent plans, but the Corporate Plan 2017-19 includes an amendment to Priority 3 to reflect the Council’s commitment to securing inclusive and sustainable economic growth. The four priorities are also consistent with the organisation’s co-operative values and are set out below:
  - Priority 1 – Better education and skills for all
  - Priority 2 – Supporting vulnerable people
  - Priority 3 – An economy that benefits all our citizens
  - Priority 4 – Working together to transform services

## Well-being Objectives

9. In accordance with the statutory requirements of the Well-being of Future Generations (Wales) Act 2015, the Council must agree and publish well-being objectives by 31 March 2017 that are designed to maximise the Council's contribution to achieving each of the 7 national well-being goals set out previously in Paragraph 5 of this report.
10. In defining these draft well-being objectives, an integrated corporate approach has been developed in order to combine the Council's well-being and improvement objectives. This has been based on a comprehensive audit and self-assessment by directorates, which was undertaken to explore the extent to which the directorates contribute to each of the well-being goals, what more could be done and what further action could be taken to make progress towards the goals.
11. The Corporate Plan has been reviewed and developed in the context of the Well-being of Future Generations (Wales) Act 2015, including examining all council services and identifying areas where the Council can increase its contribution to achieving the national well-being goals. As a result, further commitments around health, leisure and sustainability have been developed and the well-being objectives have a clear focus on space, environment and overall 'liveability' for our citizens.
12. Following on from this exercise, a number of well-being objectives have been developed for each priority within the Corporate Plan 2017-19, which are supported by a number of commitments and performance indicators in order to measure progress. Directors have also agreed 5 strategic improvement objectives, which will be taken forward within their respective Directorate Delivery Plans.

## Well-being Statement

13. The Council must publish a 'statement' about its well-being objectives at the same time as the objectives are published. Both requirements should be contained in the Corporate Plan and the well-being statement must explain:
  - Why the Council considers that its well-being objectives will contribute to the achievement of the well-being goals;
  - Why the Council considers that its well-being objectives have been set in accordance with the sustainable development principle, including an explanation of how the Council will involve people with an interest in achieving the well-being goals. Those people must also reflect the diversity of Cardiff's population;
  - The steps to be taken to meet the well-being objectives in accordance with the sustainable development principle;
  - How the Council will govern itself to meet its well-being objectives;
  - How the Council will keep the steps it takes to meet its well-being objectives under review;

- How the Council will ensure that resources, including financial, are allocated annually for the purpose of taking steps to meet its objectives;
- When the Council expects to meet its well-being objectives;
- Any other information about the well-being objectives that is considered to be relevant.

### Consultation and Engagement

14. The development of the Corporate Plan 2017-19 has also been informed by the findings of the annual Ask Cardiff survey and the consultation on the budget proposals for 2017/18.
15. All Councillors were invited to a member engagement session to help inform the development of both the Liveable City report and draft Corporate Plan 2017-19, which was held on 23 January 2017. This also provided an opportunity for Members to learn more about the development of the Corporate Plan 2017-19 in the context of the Well-being of Future Generations (Wales) Act 2015 and in advance of formal consideration by all Scrutiny Committees in February 2017. The Corporate Plan 2017-19 has also been reviewed and endorsed by the lead Peer Advisor on performance issues from the Council's Challenge Forum.
16. The Policy Review and Performance Scrutiny Committee was provided with an early opportunity to help inform the development of the Corporate Plan 2017-19 when it considered a draft version of the Plan on 17 January 2017. Members were briefed on the approach undertaken to 'refresh' the Corporate Plan for 2017-19 and were able to comment on the draft well-being objectives and related commitments. A draft version of the Corporate Plan 2017-19 was also provided to each of the Council's five Scrutiny Committees for consideration alongside the draft budget proposals for 2017/18 at meeting held between the 13<sup>th</sup> and 15<sup>th</sup> February 2017. A copy of the letter from the Chair of the Policy Review and Performance Scrutiny Committee detailing any comments on the Corporate Plan 2017-19 following the meeting held on 15 February 2017 is expected to be circulated at the Cabinet meeting on 16 February 2017.
17. Following the publication of Quarter 3 performance results for 2016/17 in late January 2017, proposed targets for inclusion in the Corporate Plan 2017-19 were reviewed as part of a target setting exercise. The Corporate Plan 2017-19 includes a basket of performance measures with clear targets, which consist of a mixture of (statutory) National Strategic Indicators (NSIs) and Public Accountability Measures (PAMs) as well as "Local" indicators selected for their particular relevance to directorates. The Appendix to the Corporate Plan includes details on past performance to enable trend analysis, benchmarking information on the Council's relative position (where available) and agreed targets for 2017/18 that were agreed previously and contained within the Corporate Plan 2016-18. It should be noted that many of the statutory indicators are subject to change, with a number likely to be abandoned. The Council

will continue to recognise the importance of statutory indicators and respond to the demands of the external performance landscape; however, an emphasis will also be placed on selecting measures of success which are relevant for Cardiff.

18. A copy of the Corporate Plan 2017-19 will be published on the Council's website by 1 April 2017, together with an interactive and more accessible version of the Corporate Plan that will assist in communicating the Council's priorities and objectives.

### Directorate Delivery Plans

19. The "business as usual" and more service focused commitments will be included in Directorate Delivery Plans to be prepared by Q1 2017. The Directorate Delivery Plans will continue to provide an important link between the Corporate Plan, the work of directorates and the objectives set for individual employees. Directorate Delivery Plans will also further integrate financial and service planning, more detailed action about progressing Corporate Plan improvement objectives, as well as details of other important activities not included in the Corporate Plan. The Balance Scorecard approach, also being developed, is intended to provide a sharper focus on the key issues.
20. In addition, Directorate Delivery Plans will provide clear lines of responsibility, increased accountability and be subject to effective management challenge and scrutiny. This will ensure that team and individual employee objectives are aligned with Council's key strategic priorities. This will support the Council's continued drive to improve compliance with organisational performance management requirements, including Personal Performance and Development Reviews (PPDRs). In this way, the Council will maintain an overview and manage the key organisational functions of:
  - identification and delivery of priorities;
  - service and financial planning;
  - timely performance management integrating financial and service performance; and
  - objective setting for, and performance of, individual members of staff.

### **Reason for Recommendations**

21. To enable the draft Corporate Plan 2017-19 to be considered by the Council on 23 February 2017 and to be published thereafter, subject to any consequential amendments that may be required.

### Financial Implications

22. This report sets out the Council's Corporate Plan for the period up until 2019. Implementing these strategic priorities and improvement objectives will need to be in accordance with the amounts set out in the February 2017 Budget Report which included the revenue and capital budgets for 2017/18, the indicative Medium Term Financial Plan for the period up to 2020/21 and the indicative Capital Programme for the period up until 2021/22.

23. Some of the objectives contained in this report will need to be the subject of further reports so that detailed financial implications can be determined when further financial information is known. The Plan clearly identifies the demand and financial pressures within which the Council is operating in terms of both revenue and capital budgets with associated impact on the level of borrowing. As such, it is important that the financial implications and risks of actions in the Corporate Plan are considered as part of robust business cases. This is particularly the case for proposals which are not yet fully developed to be included in the current budget proposals and these will need to be carefully appraised for the financial impact, affordability and considered as part of the Council's Medium Term Financial Plan for future years.

### **Legal Implications**

24. The Local Government Measure 2009 sets out the Council's obligations to ensure continuous improvement in the exercise of its functions. The Corporate Plan is part of the Policy Framework and a decision on whether to adopt the draft Corporate Plan is a matter for full Council.
25. Effective consultation is required for lawful decision making on policy matters. This Report sets out the steps taken in identifying and consulting on the improvement objectives contained in the draft Corporate Plan 2017-2019.
26. The Council has to satisfy its public sector duties under the Equality Act 2010. The Council's decisions must have due regard to the need to (a) eliminate unlawful discrimination (b) advance equality of opportunity and (c) foster good relations on the basis of the protected characteristics defined in the Act.
27. Protected characteristics are:
- Age
  - Gender reassignment
  - Sex
  - Race – including ethnic or national origin, colour or nationality
  - Disability
  - Pregnancy and maternity
  - Marriage and civil partnership
  - Sexual orientation
  - Religion or belief – including lack of belief
28. The Well-Being of Future Generations (Wales) Act 2015 places a well-being duty on public sector bodies to take action to achieve seven well-being goals in accordance with the 'sustainable development principle'.
29. The seven well-being goals are: "a prosperous Wales", "a resilient Wales", "a healthier Wales", "a more equal Wales", "a Wales of cohesive communities", "a Wales of vibrant culture and thriving Welsh language" and "a globally responsible Wales"; and a description of each goal is given in the Act. Decision makers should consider how the proposed

decision may contribute towards, or impact upon, achievement of the well-being goals.

30. The Council must set well-being objectives to achieve the well-being goals and publish these objectives by 31<sup>st</sup> March 2017. Reference to this obligation is made in paragraphs 9 and 13 of this Report. Once the Council's well-being objectives have been set, decision makers must have regard to the same, and must be satisfied that all reasonable steps have been taken to meet those objectives.
31. In order to comply with the well-being duty, the Council must act in accordance with the 'sustainable development principle', which is defined as meaning that the Council 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. Put simply, this means that Council decision makers must take into account the impact of their decisions on people living their lives in Wales in the future. There are a number of factors which the Council must take into account in this regard, specifically, decision makers must:
  - Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the seven well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them
32. In considering the above, due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

## RECOMMENDATIONS

Cabinet is recommended to:

1. approve the Corporate Plan 2017-19 as set out in **Appendix A** for consideration by Council on 23 February 2017; and
2. recommend to Council that authority be delegated to the Chief Executive, in consultation with the Leader of the Council, to make any consequential amendments to the Corporate Plan 2017-19 following consideration by Council on 23 February 2017.

## PAUL ORDERS

Chief Executive  
10 February 2017

*The following Appendix is attached:*

Appendix A: Corporate Plan 2017-2019