

## POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

9 FEBRUARY 2015

Present: County Councillor Howells(Chairperson)  
County Councillors Cowan, Goodway, Lloyd, McGarry, Murphy  
and Walker

### 27 : APOLOGIES FOR ABSENCE

Councillors Hunt and Love

### 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.

The Chairperson reminded Members that if they had completed Annual Forms there was still a need to disclose any interest. Members were asked when declaring an interest to clearly inform the meeting of the interest in question, to complete a form and to indicate if they were withdrawing from the meeting.

### 29 : MINUTES

The Minutes of the meeting held on 6 January 2015 were approved as a correct record.

### 30 : CORPORATE PLAN 2015 - 2017

The Chairperson welcomed The Leader of the Council, Councillor Phil Bale, Paul Orders, Chief Executive and Martin Hamilton, Chief Officer Change and Improvement.

The Chairperson informed the Committee that this item gave Members the chance to consider the draft 2015-2017 Corporate Plan. The Committee's role was to consider the overall structure and direction of the Plan as the Council's main strategic document. It could also test the links between the Plan and the specific services which came under its remit, which Members could do when Cabinet Members and Directors later addressed Committee.

The Chairperson invited Councillor Bale to make a statement.

Councillor Bale explained this was a further opportunity for the Committee to scrutinise the Corporate Plan before a decision on the plan was taken in March, and further to the Committee's initial consideration of the Plan in December 2014. The Plan also provide information to prepare corporate planning undertaken in Cardiff with that undertaken in Core Cities, as Committee had requested.

The Committee received a presentation from Martin Hamilton which outlined the following:

- Development of Corporate Plan 2015 - 2017
- Hierarchy of Plans
- What Matters Outcomes
- Priorities: What we need to achieve
- Key Terms
- Stakeholder Engagement
- Challenge Forum Feedback
- Benchmark Data Rigorous Target Setting.

The Chairperson thanked Martin Hamilton for the informative presentation and invited Members to ask questions.

The Committee were pleased to have this opportunity to scrutinise the Corporate Plan and this was an opportunity to scrutinise the plan's values and priorities.

Members of the Committee were advised that the Corporate Plan reflected and responded to the Wales Audit Office's recommendations. The refreshed Plan would include a glossary of terms to address Wales Audit Office criticism in relation to confusion between "outcomes" and "objectives" and would be subject to an extensive programme of stakeholder engagement. The Plan would be finalised and adopted in March 2015 enabling Members to provide greater focus on the Plan.

The Committee was concerned with the dynamics of the Plan, drawing attention to the drivers behind the Plan reflecting Council Policy within its financial parameters. Members were of the view the Corporate Plan should reflect the budget with its aspirations set out accordingly. Members of the Committee saw the Corporate Plan as a document driven fundamentally by political and organisational priorities, and the budget as a companion document illustrating how those priorities would be put into practice.

Members were advised that the association between political and organisation priorities and the availability of resources would always be close and it was recognised that finance would inevitably be a factor in constraining ambitions. The Corporate Plan and Budget were developed hand in hand. To date focus was being directed towards achieving a balanced budget and finalisation of the Corporate Plan would follow in March 2015.

The Committee was concerned with the reliance being placed on the outcomes of the Cardiff Debate. This type of consultation process was not considered robust enough to obtain a wide-ranging collection of public opinion and could not be used as a reliable decision making tool.

The Committee was assured that this type of public consultation was part of the budget process and would be built into the narrative. Online public consultation was relied upon when setting last year's budget and the Cardiff Debate was an innovative method's to achieve public opinion and feedback, not simply a PR exercise.

Members of the Committee explained they had limited confidence in the Cardiff Debate, feeling that the process was not sufficiently rigorous. Members of the Committee acknowledged that 4,000 people had responded to the Cardiff Debate over six weeks, whereas in comparison 2,600 had voted in the Rhiwbina Community

Poll in a few hours. This lent weight to the view that the Cardiff Debate was not representative of the views of the entire population of Cardiff.

The Committee drew attention to Core Cities priorities and asked if Cardiff had signed up to the Core Cities local income tax scheme, or was an alternative solution being considered. In response it was advised that the introduction of a local income tax scheme was solely to be considered for English local authorities..

The Leader of the Council emphasised the importance of the Cardiff Debate as a mechanism to raise public awareness throughout the city, providing the public with an opportunity to have input into the budget process and be alerted to the challenges the Council faced. Community Groups had also been involved in the consultation process and their input was critical. Engagement overall was seen as supportive and both comments and feedback would be taken forward as one aspect of the evidence base.

The Committee made reference to the Challenge Forum and was concerned that information, especially minutes from the Challenge Forum had not been made available to the Committee. It was essential for Committee Members to see evidence of work being undertaken at the Challenge Forum as these outcomes and results would be built into the final Corporate Plan.

Martin Hamilton confirmed to the Committee that issues discussed at the Challenge Forum would be presented to Committee from Quarter 3 performance monitoring in March 2015.

Members of the Committee were pleased with the narrative in the "What Matters" Agenda and asked if a commitment was being maintained to support Adult Learners achieving their full potential. The Committee was reminded that priorities were essential and in some cases certain targets might be realigned for a particular period. In this financial climate flexibility was vital and indicators could vary.

The Committee continued to show concern with the synergy between the Corporate Plan and the Budget. They were of the view that commitments should firstly be agreed, followed by agreement of the budget in order to deliver these obligations. This current Plan could not support that process and was therefore seen as an aspirational document that relied on current financial circumstances. A Member considered that the Plan lacked vision and that the policies of the Council were not clearly or robustly set out in the Plan enough to be delivered.

Christine Salter explained that both the Corporate Plan and the Budget were being developed concurrently and a mapping exercise had been carried out to ensure the financial deliverability of the priorities.

Reference was made to overall Council performance against statutory indicators, with 44% of the measures being in the bottom quartile in Wales. Therefore, 66% of these statutory indicators were failing. Finally, further information was required on performance target tools and techniques being applied across the Council to improve these outcomes in key areas and how managers were being made accountable.

Martin Hamilton explained that Directorate Delivery Plans had been drafted and implemented across the Council to contribute towards improvement. The Personal

Performance Development Review programme had been established to analyse personal performance and achievements through implementation of this robust monitoring process, which recorded evidence of poor performance and under achievement.

The Leader of the Council explained the Corporate Plan was fundamentally prioritised towards partnership working in order to deliver and sustain valuable Council services. It was critical in this current financial environment that all partnership options be considered, and that reliance should be placed on outcomes rather than process.

The Committee was advised that Improving Council Performance had been set at March 2016 in order to implement a stronger compliance regime. The dynamics of the organisation would also be different then, and this would allow a leaner workforce time to adapt to these circumstances. Due to the improvements taking time to be realised March 2016 was envisaged as a milestone for this priority. Improvement was already beginning to take effect in some areas and this was being developed upon. PPDR compliance was rising and managers were developing robust monitoring tools to improve this ethos across the Council. This process was also being monitored by the Wales Audit Office and it was essential that improvement be a key driver for the organisation.

The Committee emphasised the importance of managerial accountability and how this could sometimes be lost in large organisations. Independent inspections carried out in the Council had recognised this failing and this was an issue that needed attention when measuring and applying robust performance practices and procedures.

RESOLVED: The Committee AGREED to outline the following:

- The Committee noted that the Plan would be finalised and adopted in March rather than at its traditional February slot, for the reasons set out by Martin Hamilton at the meeting that this would enable Members to provide greater focus on the Plan than would have been possible if it was subsumed within the wider Budget debate.
- The Committee asked to see the final draft Plan in March, partly to check that the observations of this and the other scrutiny committees have been taken on board in the final document, and partly to consider whether any significant changes have been made that could require fresh scrutiny.
- Members were keen to test the synergy between the Corporate Plan and Budget Proposals, and considered how far the Plan had shaped the budget proposals, or been shaped by them. Members heard that the relationship between political and organisation priorities and the availability of resources will always be a close one, and recognised that finance would inevitably be a factor in constraining an Administration's ambition. In point of principle the Committee sees a Corporate Plan as a document driven fundamentally by political and organisational priorities, and the Budget as a companion document illustrating how those priorities will be put into practice.

- Members noted a previous request for a suitable mechanism for issues discussed at the Challenge Forum to be reported back to the Scrutiny Committee. Members were pleased to have it confirmed by Martin Hamilton that this could begin from Quarter 3 performance monitoring in March 2015.
- Members also noted Martin's agreement with a Member's suggestion that inclusion of an indication of achievement of 2014/15 targets could be a useful addition to the Plan, and look forward to seeing how this manifests itself in the final draft.
- In recent months Committee has grown increasingly interested in the imperative for managers to hit agreed performance and financial targets, and the steps the Council could take to hold managers to account for these. Members were pleased to hear the Chief Executive allude to a range of tools available to him within the Council's performance management approach to achieve this. Recognising that over the passage of time there will be fewer "easy" options for the Council to reliably generate savings (and fewer resources to stretch performance targets) Committee felt that it would become more and more important to make use of these tools. To help deliver its role in challenging performance the Committee would like the Chief Executive to return to a future meeting to provide more detail on how this approach would manifest itself in the coming year, to discuss this in greater detail.
- Colleagues in Children and Young People Scrutiny Committee have already discussed in outline with the Cabinet Member for Education and Skills their wish to explore lessons to be learned from the recent Estyn inspection of Eastern High School. In terms of corporate performance management this Committee would also be interested to understand the steps being taken by the Council to address Estyn's concerns about governance and performance at the High School.

### 31 : BUDGET PROPOSALS 2015/2016

The Chairperson welcomed the Leader of the Council, Councillor Phil Bale, Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance and Christine Salter, Corporate Director Resources.

The Chairperson reminded Members that the Committee was unique in its twofold role in scrutinising the budget proposals. Firstly it can consider the proposals from a corporate point of view in terms of how they align to the Council's priorities. The Committee should also test the processes, consultation and assessment which the proposals have been subject to. Secondly the Committee can consider specific services' proposals how they align to the Corporate Plan and their impact on service delivery.

The Item would be split into two parts:

- An overview of the 2015/16 budget proposals from Councillor Hinchey and Christine Salter;
- Scrutiny of the Directorates which come under PRAP's remit with Cabinet Members and Directors.

Councillor Hinchey explained that it had been difficult to achieve a balanced budget. Some risks still remained, and a number of additional pressures had been identified relating to emerging directorate financial pressures. Work was ongoing with the Trade Unions in order to work in partnership on a programme of reform, known as the Partnership for Change Agenda. An in-principle capitalisation direction had been approved from Welsh Government which eased some of the pressures to a certain extent. The Medium Term Outlook was worsening and therefore it was essential to drive forward the Organisational Development Programme in order to re-design services and reshape services to achieve future objectives.

The Committee received a presentation on the Cabinet Draft Budget Proposals for 2015/16.

Members of the Committee noted that the 2014/15 savings target is expected to be underachieved by £7M, before the use of the £4M budgeted contingency .

Christine Salter drew attention to the Budget Strategy Planning Assumption – Balance Sheet Review, advising that £595k from Council Tax bad debt provision could be released following recent performance, and from an updated approach to the calculation method (based on the number of years arrears were classed as collectable ).

Angie Shiels, GMB Union provided the following statement:

“GMB recognises the difficult position the Council is in, with savage cuts being forced on all Councils throughout the UK. Wales has for sometime been cushioned from these, however, we are now beginning to feel their impact.

There has been much talk across the city about the budget, with campaigns being set up to voice the community’s dissatisfaction at some proposals.

Libraries and Youth services, being two of the most vocal and, whilst we applaud our colleagues’ efforts, passion and commitment, there appears to be a group of our society which has been left without a voice - that of the most vulnerable in our society, the elderly.

The proposal to shut 4 day centres for the elderly, many with Alzheimer’s / dementia is at best misguided at worse obscene. The report provided from Health and Social Care makes much of provisions they are "looking at" and their "potential": what it does not say is what will happen to the 239 service users.

You simply do not stop a critical service like this until you are assured that you have a robust provision in place. The GMB does not believe that this has been illustrated in any reports. “Maybe”, “might”, “could happen” are simply not acceptable when a proposal of this magnitude is being tabled.

When you cease to provide a service like this, you do not just stop it for the main service user; you remove respite time for the carers. Carers save the economy billions, unpaid hard work, providing for their loved ones at home.

However, providing that care takes its toil. When a loved one attends a service such as we have in our day services, carers know that their loved ones are in safe hands,

familiar surroundings, allowing the carer a few hours to be free of the intense responsibility that being a carer brings. Maybe a few hours needed, sleep a coffee with a friend, to you and I this may seem of little significance. Believe me, it makes all the difference.

Withdrawing this service may bring about an increase on the demands of our mental health service for carers who are already under too much pressure and many problems associated with depression. We implore the Council, do not cast our elderly aside, do not leave them even more vulnerable than they are already. They may not be able to March on County Hall; they may not be able to set up a campaign. They may not be able to express their concerns due to their medical condition, however, as a Council who prides itself on being decent, fair and protective of our most vulnerable, please be the voice of compassion and reject these short-sighted proposals.

The Drug and Alcohol Team again is a service providing a crucial service for vulnerable adults. Many of you will have seen articles in the press from concerned citizens. This cut in this service again is short sighted; the counselling service does incredible work and is an immeasurable preventive tool. A small sum of money compared to some cuts that keeps service users on the road to recovery. Although unpalatable to many, drug and alcohol abuse are illnesses and as such need the resources to help our service users.

Welsh Government has given CCC an additional £2.8 million. Also an additional £400,000 was found. Many of our members and non members deliver the above services; they are already being told their jobs are going, we cannot see why the additional funds on top of the autumn settlement of additional £10 million cannot go towards saving crucial life saving services.

Youth Services provide crucial support to the youth of the city. The Peer Review stated quite clearly that youngsters who are NEET should be prioritised; it does not appear that this recommendation is being taken on board. It is all well and good to say communities will take over services. There is no evidential support for this. The youth are our future, they need investing in, serious and careful consideration needs to be taken, a disenfranchised youth, is a disenfranchised future for the City.

The Cardiff Debate had significant resources in digital advertising, social media, Capital Times etc, but out of 330,000+ citizens only 4,00 responded. GMB are concerned that although well intentioned, it is profoundly naive to put one's faith in the assumption that volunteers will step forward to offer quality provisions and services. The Council offer support for taking over buildings, people being TUPE'd over, however, a sound business case both practical on service delivery and, also on sound financial basis needs to be provided.

Our members' jobs maybe affected, we cannot stand by and let them be part of some kind of Lost Horizon dream, where Shangri-La exists. People's pay, sickness, annual leave pension rights, payroll HR implications, all need clarification. We cannot allow for our services to be taken over by well-intentioned groups, who are not able to deliver. The Council has a duty to scrutinise especially where people's jobs are concerned.

GMB along with other unions have been consulted on varying projects that the Council are looking at in order to deliver services more effectively. Organisational Development was something we could not see measurable outcomes to begin with. We became rather suspicious, however, having had some in-depth discussions, we applaud the work of the OD team, in particular the pilot of the neighbourhood, cleansing/parks etc... Our members have engaged and, are informing the project proactively on how we can have in-house services. This is proper partnership working. Keeping services in-house, using technology, shared ideas, working to a 21st Council. This type of partnership working is one we embrace, it stops salami slicing, it helps deliver quality services, in a joined up fashion.”

The Chairperson thanked the GMB official for the informative presentation and invited the Committee to ask questions.

Following a question in respect of the name of the council, the Committee was advised that the legal title of the Council had not changed.

Members were reminded of the Wales Audit Office Corporate Assessment which identified issues of concern in respect of: “Uncertain prospect for achieving proposed savings from 2014/15 and responding to future funding levels”. It was recognised the current savings targets would not be achieved and this was undergoing constant scrutiny. An exercise had been carried out to assess why the savings were not being achieved in the current year and whether there was any impact on 2015/16. This had concluded that there was an issue with £217k and this had been added to the resource required for the 2015/16 budget but , there was no technical reason why the remainder of the savings could not realised. This was an example of the enhanced work being undertaken which would provide evidence to help address the Wales Audit Office comments in the Corporate Assessment..

Committee Members sought further information on the proposal to close Day Centres particularly in respect of support for those with dementia, the consultation that had been undertaken and future care provision to support this. In response Angie Shiels explained that a number of staff employed in specialist day centres were in the process of facing redeployment. There was no specific structure relating to the future of these services and no plans in place to support service users if these cuts were made. It was suggested that some miscommunication might have taken place with affected staff in Day Services and at Splott Play Centre to suggest to them that decisions had already been taken at an officer level that services would cease, prior to a political decision being made. Christine Salter outlined the agreed process for consulting staff at risk of being impacted by budget proposals.

Members of the Committee were advised that subject to review, the initial budget position was for £2.5M to be used via the Capitalisation Direction. As part of the Balance Sheet Review the Council Tax bad debt provision would release £595k for 2015/16 although this was a one-off adjustment and would need to be replaced in respect of 2016/17.

Members of the Committee continued to be concerned with issues raised by the GMB Union. A motion on Dementia Friends at Council had been carried, which should therefore be reflected in Council Policy. This type of service was essential for both carers and service users and to date this did not appear to have been recognised by the Council. It was acknowledged there was an increase in demand in

Health, Social Care and Wellbeing, but this was not unusual and this type of service provision continued to call for increased service delivery, which was not being adhered to.

CS assured Members of the Committee that a thorough consultation exercise had taken place in respect of day centres. The budget line had initially outlined £800k saving but following a due diligence exercise this figure was amended to £400k to reflect timing implications. All staff affected by these proposals were fully consulted upon and engaged in the consultation exercise. All Directors were asked to fully engage with staff affected by these budget proposals and this had been taken forward. The demand pressures on the Health & Social Care service was reflected in the realignment of £3.2million, but as a result of the demographical increase expected next year this trend of the need for increased funding would continue .

The Committee drew attention to the following statement relayed in the Corporate Director of Resources' presentation:

The Budget Report for 2015/16 will include the following message:

“As set out in the July 2014 Budget Strategy Report it is important to reiterate the materiality of the service choice ahead of the Council. In particular, anything other than a radical reduction and reset of the Council's services will over the life of the MTFP term lead to financial resilience issues for the Council. Against this backdrop members will need to consider whether the choices made to date are commensurate with the scale of the financial challenge ahead” – Section 151 Officer.

Members were extremely concerned with the above statement provided by the Section 151 Officer and asked if there was a possibility of the Council setting an illegal budget for 2015/2016.

Christine Salter emphasised to Members that the paragraph in the Budget Report was a strong message relating to the 2015/2016 position. The Medium Term outlook was worsening and it was essential that these issues be taken seriously, with extremely stark decisions to be made.

Members of the Committee felt that alternative budget proposals should have been considered. Concerns were also directed towards the statement provided by the Section 151 Officer. No justification had been provided to members of the Council why the savings for 2014/15 had not been achieved and why previous budget decisions had not been implemented. Decisions relating to the funding of St David's Hall and New Theatre had not been implemented once the six month window for arranging a new model of operation had been reached with Council subsidies continuing.

Christine Salter explained that a certain amount of time was required for these reductions to have an impact on the budget particularly where complex OJEU procurements were necessary. Commitments previously made to promoters would have made any savings from closure negligible in the current year .

Members still felt that some additional commitments were untenable in the current financial climate and needed to be recognised as an overspend on that particular

budget line. They asked how many more overspends had occurred without authority. Christine Salter assured the Committee that there were no significant overspends relating to these functions last year.

Councillor Hinchey outlined the financial challenges faced by the Council. No Member was comfortable with the idea of closing St David's Hall and the New Theatre, along with the possible funding cuts to other Council services, but in reality some of these provisions were deemed unsustainable. Robust plans were being put in place to address these issues and all services were subject to scrutiny. It was critical that change in service provision take place and this would result in alternative ways of working, including partnership and third sector involvement. These issues were not unique to Cardiff and could be seen across the UK. Rapid decision making was essential in these circumstances and Cardiff experienced additional pressures as a result of being the Capital City of Wales.

Christine Salter confirmed to Members of the Committee that the Month 9 monitoring position, would show a projected underachievement of planned budget savings of £7M before the application of the budgeted contingency of £4M. Further corporate adjustments such as a Council Tax recovery surplus would enable a projected balanced budget position at the year end.

Christine Salter drew attention to the following pressures affecting the budget for 2015/16:

- Employee Costs – increments
- The additional hour implementation for Workforce Package
- Schools Growth – protection.

The Committee recognised that the Council experienced pressures from Discretionary Inflationary, with a High Court Ruling affecting domiciliary care sleeping in arrangements.

Christine Salter assured the Committee that an analysis had been carried out on Agency Staff employed by the Council which amounted to a spend of £11.3M. Christine Salter emphasised to the Committee that as the Section 151 Officer it was a statutory obligation to provide advice to the Council. The details of the advice would be outlined in the Cabinet Report and the reasons as to why this advice was provided. It was essential that decisions were robust in order to achieve what was required in this financial climate, and decisions involving the medium term outlook needed transparency.

### **Consultation Results on the City of Cardiff Council's 2015/16 Budget Proposals**

The Chairperson welcomed the Leader of the Council, Councillor Phil Bale, Christine Salter, Corporate Director Resources, Sarah McGill, Corporate Director Communities and Rachel Jones, Operational Manager.

The Committee received a presentation which outlined the Consultation Results.

The Chairperson invited the Committee to ask questions.

The Committee was advised that 4000 responses to the consultation had been received and it was hoped that these responses would be reflected in the final budget

papers. These results would be analysed and advice would be provided on a definitive budget position.

Members of the Committee were concerned with some of the comments directed towards Key Learning, and asked how this could be improved. Rachel Jones explained that low general awareness resulted in the need for an improved communication strategy. Key messages were being relayed to the public but unfortunately access to these messages could be limited, and this required a more wider robust communication mechanism. Neighbourhood Partnership areas were being encouraged to engage in these programmes and that was evident in the north of the city.

Sarah McGill explained the consultation covered all areas of the budget proposals, including the efficiency savings' impact on communities. The Cardiff Debate survey had achieved greater response levels than other examples cited of similar recent engagement exercises in other cities.

Members were of the view that a sound data base of Council service knowledge was required before being able to answer some of the questions. Some members of the public did not have in depth familiarity with Council Services and the construction of the questions required this knowledge. The length of the questions made it difficult to complete and consideration should be given in future to providing additional facilitation for those residents who would find this useful to enable them to complete the survey.

Rachel Jones recognised that some of the questions were detailed and distinct. However, public drop in events had taken place, being an ideal opportunity for members of the public with little knowledge in this area to seek the answers they required as the expertise was at hand if need be. There was also opportunity for meetings with stakeholders to outline the proposals further.

Some Members of the Committee thought the consultation exercise resembled a PR event and was being used as a propaganda tool. In some areas little public interest was shown to these events and very few people attended. The figures did not reflect the outcomes on the draft budget proposals with 33% responding to cuts in services and 37% supporting the Welsh Language Play Provision.

The Committee was advised that over the past seven weeks during the public consultation exercise people, including hard to reach groups had opened up and come forward with ideas and support on service delivery options. The Council had given the public the opportunity to engage in the Council process and provide valuable comments which would be taken on board.

Members felt that the public expressed enthusiasm for the importance of volunteering should be recognised before decisions were made on cutting services like Park Rangers, Libraries, Play and Youth. The added value that these services derive from volunteer hours was perhaps not yet fully understood. It was also recognised that there were limitations on what could be expected of volunteers need to be understood and that volunteers should not be expected to replace those kinds of services best delivered by professional public servants.

The Chairperson informed the Committee that they would now move on to scrutinise the specific services which came under their remit.

### **Economic Development Briefing**

The Chairperson welcomed the Leader of the Council, Councillor Phil Bale, Christine Salter, Corporate Director Resources, Councillor Graham Hinchey and Neil Hanratty, Director Economic Development.

The Chairperson reminded Members that PRAP's remit only covered Property and International Policy within this Directorate.

The Committee received a presentation on the Economic Development Savings 2015/16.

***Members of the Committee expressed serious concern about the proposed £160k reduction in funding to the Cardiff Business Council. Members asked if the proposed cut in funding coupled with the proposed reduction in the staff supporting the work of CBC would jeopardise its ability to deliver the external private sector investment which the Council expected CBC to generate. Members stated that they hoped that the savings proposals would not impede the effectiveness of this and other kinds of "invest to save" initiatives.***

***The Leader of the Council explained that he has regular meetings with the Chairperson of CBC, Nigel Roberts, and that Mr Roberts was content with the cuts being proposed. The Leader was challenged about the accuracy of this statement with a member suggesting that this was not Mr Roberts position or that of the CBC Board. In response, the Leader repeated his assertion that Mr Roberts was content with the cuts being proposed and that a letter in response to the consultation on the budget proposals had been received from Mr Roberts which the Leader had subsequently discussed with him and that the two were now aligned.***

***Members stated that they continued to be concerned with this proposal as a result of the cut in the staffing support being provided to CBC in order to support its work and suggested that it sent a damaging signal to the business community adversely impacting on the relationship between the council and the private sector.***

Neil Hanratty confirmed that 47% cuts were being made to Property. Areas of risk had been identified, £120k was part of the budget line and based on operations deemed deliverable.

### **Corporate Management Proposals**

The Chairperson welcomed Councillor Graham Hinchey and Christine Salter, Corporate Director Resources

The Committee received a presentation on the Draft Corporate Management Proposal 2015/16

CS explained to Members of the Committee there were 3 factors to consider where savings had been proposed:

- Precepts & Levies = £149k
- Office Rationalisation = £104k
- Senior Management Restructure = £650k.

£250k saving as a result of Management de-layering was part of the Partnership for Change agreement rather than the Tier 1 proposal. Savings overall across the Council amounted to £650k for the Tier 1 Senior Management Review and this would be considered by Cabinet.

The Committee was advised that there was going to be an overall employee reduction across the Council currently at consultation stage.

Members of the Committee were concerned with the management de-layering proposal and asked if there would be sufficient management capacity to manage the Organisational Change Programme. This continued loss of management capacity would impact negatively on the Council's ability to deliver future savings and on the Council's achievement of in-year financial and performance targets.

Councillor Hinchey explained this proposal would mainly impact on managers with fewer than six officers in their span of control and perhaps affect just 9 posts.

The Committee drew attention to the Cardiff Enterprise Zone and were concerned with the funding being made available to support development commitments. It was essential that Cardiff was seen to be the lead driver in this field with a sound major development programme in place, especially as some neighbouring cities were seen to be moving ahead quite quickly.

Christine Salter confirmed that the cut of support to the Enterprise Zone was just a one year expedient, reflecting that there were not any specific commitments against that budget this year.

### **Resources Directorate Briefing**

The Chairperson welcomed Councillor Graham Hinchey and Christine Salter, Corporate Director Resources

The Committee received a presentation on Resources Directorate.

Members were advised of the change implications being made in ICT, Customer Management Systems, Mobile & Scheduling and Electronic Records Management.

The CRM systems would enhance and support the C2C arrangements, contributing towards a 24/7 service. The SAP model was also supporting services with a Cloud based solution being developed. These were innovative systems designed to enhance improvement at a speedier pace enabling change to take place.

Members were advised that costs of these systems had been taken into consideration and it was essential that the Council have a sound back office support

system which moved ahead and embraced change. Resources had been mapped and it was critical for the Council to maintain a strong control centre.

### **County Clerk and Monitoring Officer Directorate Proposals**

The Chairperson welcomed Councillor De'Ath, Cabinet Member for Safety, Engagement & Democracy, Christine Salter, Corporate Director Resources and Marie Rosenthal, County Clerk and Monitoring Officer.

Marie Rosenthal explained to the Committee that the savings of 218k related to the following:

- Mini restructure to reduce administration
- Introduction of Modern.Gov
- Members ICT Project
- Savings from next year's investment
- Deletion of part time post in Legal Services
- Member Development – fewer external training.

Members of the Committee thanked Committee and Members' Services staff for all the support provided to Members over the years.

Committee Members were pleased that Councillors were using their ICT equipment at meetings and adapting well to new technology. These devices were providing savings in this area and it was essential that additional power points be provided at meetings to support use of the tablets.

Members were concerned that the Members' Dictation Bank was not operational and asked what type of provision was going to replace this service.

MR advised the Committee that alternative solutions to replace the Dictation Bank were being explored and a report would be brought to the Democratic Services Committee for consideration.

The Committee felt that the level of support in Democratic Services in general had reached a point where further cuts would impact on Member capability and governance. In light of the Wales Audit Office Corporate Assessment (and in recognition of the importance of the function to Members) the Committee sought assurance that given the pressure on the County Clerk to meet financial targets for the medium term, the Cabinet would make a decision to protect current resource levels during this medium term period.

The Committee stressed the importance of the role of County Clerk whom was not considered as servant of the Executive but the official whom supported and advised the Council as a whole. Since 1999 investment had been provided to Scrutiny and Members Services, which had eroded over the years.

Members of the Committee asked why no cuts had been made to Welsh Language provision, whilst it was recognised that Welsh Language fell under the Leader's portfolio. In response it was advised that protection to the Welsh Language Unit was as a result of the Council's Welsh Language Policy, and that the terms of the Policy could potentially be reviewed in the future.

MR explained that £273,550 in the budget was being allocated to bilingual and translator services. In response to questions from the Committee Marie Rosenthal confirmed that the translator support to the Council meeting was indeed an agency worker.

The Committee was concerned that vacant posts were being deleted and these resources would not be filled. Members Services and Scrutiny Services were currently providing a limited service as a result of on-going budget cuts, and if these cuts continued in the future they shared concern at how staff would cope with demand.

### **Communities, Housing and Customer Services Directorate Briefing**

The Chairperson welcomed Councillor Peter Bradbury Cabinet Member for Community Development, Co-operatives & Social Enterprise, Christine Salter, Corporate Director Resources and Sarah McGill, Director Communities, Housing and Customer Services.

The Committee received a presentation on Communities, Housing & Customer Services.

Members of the Committee were concerned with the cuts in the Capital Programme which related to the schemes funded by Grants. In response Members were assured that these cuts were not permanent and would be reviewed.

The Committee was advised that the introduction of the "Super Hub" saving was as a result of library savings, with the resources currently being delivered at Marland House being re-located to Central Library. Marland House saw 600 people per day accessing its facilities and a city centre location was vital for support to these service users. There was capacity at Central Library to house this provision and this would potentially increase the footfall into the library, being more accessible for service users where multiple benefits were on offer.

Members considered the "Super Hub" proposal and expressed concern that the increase of Hub facilities in Central Library could diminish the current library provision.

Members of the Committee were also concerned that given Central Library's location so close to the retail heart of Cardiff, if savings had to be found at Central Library it may be more advantageous for the city if this space could be considered in terms of its potential to boost the city's economic capacity.

The Committee was advised that work was on-going to explore alternative locations for the hub in the city centre, including the potential of considering a location near the new transport hub.

The Committee drew attention to the overall concerns about the proposed closure to libraries. A great number of these libraries were well used and it was essential that these services continued to be supported as a benefit to the community.

It was outlined to Members of the Committee that it was the intention to enhance library provision across the city, with the support of partnerships and agencies, including a neighbourhood librarian to support the service.

The Committee acknowledged the arrangements regarding libraries, youth centres, play centres and community halls with the time invested to date in identifying, nurturing and securing partnerships with community organisations. It was felt that a sustainable transition to future models of management of stand alone libraries was not likely to be achieved in the foreseeable future.

Members of the Committee were assured that transitional support might be available to the Somali Advice Centre, but that space in the Super Hub was not likely to be made available to them.

The Committee was assured that endeavours were being made to ensure that the City's future equalities offer and third sector support arrangements would be preserved through the new specification of Infrastructure Support and that rigorous equality impact assessments would be produced to evidence this.

The Chairperson thanked all the witnesses for attending

RESOLVED: The Committee AGREED to outline the following:

- The Committee asked to view the final draft of the Corporate Plan should there be significant changes prior to its consideration at March Cabinet;
- The Committee looked forward to further advice on the Challenge Forum at their March 2015 meeting;
- The Committee would be interested to see indications of achievements of 2014/ 2015 targets in the Corporate Plan
- The Committee wished to schedule discussion of the suite of performance management tool that would be used to govern manager achievement of targets at a future meeting;
- The Committee looked forward to reviewing the Cardiff Debate in the future;
- The Committee asked that managers at the Splott Play Centres and in Day Services correctly advised staff around their potential redundancy from their posts;
- The Committee requested that should any of the financial pressures be accepted and any of the proposed cuts to Libraries, Play, Youth Service and Day Centres also be implemented, a short statement be provided to explain the synergy between these decisions and the Council's four key priorities;

- The Committee sought assurance that the respective Cabinet Member agreed with their concerns about the level of support provided to Scrutiny and Democratic Services, and confirm that he was seeking to protect these services in the medium term.

32 : CORRESPONDENCE - INFORMATION REPORT

The Chairperson advised Members this report was for information only.

The Committee noted the report.

33 : DATE OF NEXT MEETING

Tuesday 3 March 2015 – 5:30PM Committee Room 4, County Hall