

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

3 MARCH 2015

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

Apologies: Councillors Goodway

34 : APOLOGIES FOR ABSENCE

Councillor Goodway

35 : DECLARATIONS OF INTEREST

To advise Members that they had a responsibility under Article 10 of the Members Code of Conduct to declare any interests and complete Personal Interest Forms, at the commencement of the agenda item in question.

Also remind Members that if they have completed Annual Forum there was still a need to disclose any interests. Members were asked when declaring an interest to clearly inform the meeting of the interest in question, to complete a personal interest form and to indicate if they are withdrawing from the meeting.

36 : MINUTES

The Committee was advised that the Minutes had not been cleared and would be considered at the next meeting on 31 March 2015.

37 : PERFORMANCE REPORT QTR 3 2014/15 (OCTOBER TO DECEMBER) AND CHALLENGE FORUM UPDATE

The Chairperson welcomed Councillor Graham Hinchey, Cabinet Member Corporate Services and Performance, Paul Orders, Chief Executive, Christine Salter, Corporate Director Resources and Martin Hamilton, Chief Officer Change and Improvement.

The Chairperson informed the Committee that this item gave the Committee the opportunity to consider the Quarter Three performance report, which included information on the work of the Challenge Forum as well as information on the Month 9 budget position, the report for which was attached for information at Agenda Item 7.

The Chief Executive drew attention to advice provided by Rod Alcott, Challenge Forum Member. A more sharper means of scrutinising was being suggested with focus being directed towards the key issues being faced by the organisation. The current format of lengthy quarterly performance reports should be reduced to centre on these key issues drawing attention to the focal points.

Martin Hamilton explained to the Committee the report provided an overview of performance in Quarter 3. Members attention was drawn to the key actions arising from the 'Star Chamber' held in January 2015:

- Enhance corporate budget review arrangements to ensure that Directors maintain focus and challenge on the measures in place to restrict spend.
- Review Attendance & Wellbeing Absence Policy to include Occupational Health and management enforcement of the Policy. The review to be reported back to Cabinet in June 2015.
- Improve quality of Personal Performance Development Reviews (PPDR) to shift focus from compliance to impact.
- Accelerate the progress of the Children's Services Placement Strategy
- Monitor the progress of the Communities, Housing & Customer Services aspect of the Outcome Agreement.
- Implement the actions agreed at the Accelerated Improvement Meeting for Health & Social Care in Order to address ongoing financial issues.
- Address issues between Directorates and Central Transport Services ensuring that it resolves ongoing issues
- Ensure that timeline commitments are included in the Cardiff Energy Prospectus
- Undertake a review of the future targets within the Outcome Agreement for discussion with the Welsh Government as part of the end of year evaluation process.

The Committee was provided with the Financial overview, that the Month 9 monitoring showed a balanced position for the Council overall which was an improvement of £725,000 over the figure reported at month 6. Within this, directorate budgets were projecting an overspend of £8.8 million which was partially offset by the budgeted contingency of £4 million. This contingency was created as part of the 2014/15 budget to protect against the delays in achieving the budget savings and to recognise that the level of savings was the highest one year figure that the Council has had to manage. This figure of £8.8 million was made up of a shortfall of £7.2 million against the budgeted savings of £43.8 million and £1.6 million as a result of the net variances in operational expenditure and income.

In relation to Sickness Absence the Committee was advised that the year end projection based on Quarter 3 performance indicated that the annual target of 9 days sickness absence per FTE was unlikely to be met with a projected performance of 10.03 days. Comparisons to sickness absence had been made to the Core Cities and in general Cardiff performance was broadly in line with most of the Core Cities. Birmingham City Council and Leeds City Council were the closest comparable match with Cardiff's in terms of FTE numbers. Birmingham who lost 10.70.

The Committee was provided with information on Freedom of Information Requests. At Q1 PRAP challenged officers to improve performance of "multi-service" FOI requests which was showing a low level of compliance (41%). The management of such requests has now been changed to ensure earlier follow-up with service areas, and escalation of concerns regarding non response. Q3 showed improved performance for "multi-service" FOI requests with compliance at 52% compared with 24% in Q2.

Members of the Committee were informed that in relation to Children's Services positive progress was being made in a number of areas including social worker vacancy position which had slightly improved during Q3. At its January meeting, the Challenge Forum noted concern over senior capacity within the service to sustain progress and recommended that the service recruit an interim senior manager to

address the current Assistant vacancy. The Forum also noted that nationally it was recognised that the recruitment to senior appointments in Children's services was increasingly difficult.

The Committee was provided with an update on Communities, Housing & Customer Services. It was noted that the average number of calendar days taken to let lettable units of permanent accommodation had shown some improvement in Q3 due to actions taken, with a result of 105 days compared with 125 days in Q2. However, this result was significantly over the target of 70 calendar days but the introduction of a new allocations policy was anticipated to improve performance further. Welfare reform had resulted in an increase in current tenant rent arrears. It was currently at 1.54% of the total rent collected. The impact of these changes, including under-occupation, had not had the increase that the authority was prudently planning for. This had been achieved through the proactive way that tenants had been supported, including priority on the downsizing waiting list, flexible use of discretionary housing payments to help moving costs and additional assistance to go back to work. A revised rent arrears policy had also been implemented and has had a positive impact on the performance.

The Committee was advised that improvements were being seen in Education & Lifelong Learning.

The Committee was advised that as part of the Environment Directorate Welsh Government had written to the Council indicating potential fines of £800k in relation to recycling performance in 2013 – 14. A letter providing evidence and mitigation for 2014/15 and 2015/16 had been sent to the Minister for his consideration. The number of missed waste collections reported via C2C decreased to 3173 in Q3 from 4226 in Q2. This improvement was largely attributed to a move away from the 1 hour reduction of the working week implemented on a Wednesday in August 2014, to a more manageable 12 minutes a day as of November 2014.

Members of the Committee were made aware that in Health & Social Care the budget situation was critical with a projected £5.595M overspend and the directorate continued to face extreme budget pressures because of demand. Actions currently being taken to achieve savings and reduce expenditure included operational manager oversight of approvals for expenditure on care packages and residential and nursing care, together with senior management approval for any additional staffing expenditure in direct services. Weekly monitoring was in place to improve the ability to achieve planned savings and weekly 'Tracking' of service area budgets within the Directorate.

The Committee was advised that the Challenge Forum had advised that more needed to be done to secure culture change around challenge and to inject more challenge into performance discussions in various settings within the Council. The Forum had been provided with an early draft of the Corporate Plan for 2015/17 for review. They had endorsed the style and structure and commended the clarity of vision and the clear lines of accountability that the plan made.

Councillor Graham Hinchey informed the Committee that with the return to 37 hours per week the Council's Customer Contact Centre would extend its call service from 5:00pm to 6:00pm. Compliance of PPDR's were improving and the figure had increased from 54% to 92%. Robust savings plans were being put in place and

these were crucial in order to deliver the savings proposals. Senior Management training was underway and employee development was at the forefront of the Council's agenda, in order to move forward with change.

The Chairperson thanked the witnesses for the informative information and invited Members of the Committee to ask questions.

Members of the Committee were advised by the Chief Executive that there would be an opportunity for them to be included in the meeting of the Challenge Forum. At their next meeting cross party involvement would be welcomed and it was vital that the information from the Forum be made available to Members.

The Committee was provided with information relating to the 'Star Chamber'. This was a name coined for a process involving sessions between Cabinet Members and Directors comprising of discussions and the sharing of ideas. It was not held in a public forum and consisted of robust challenging exercises in order to capture key issues. The outcomes were recorded in an Action list that was relayed to Directors for attention.

Members of the Committee were concerned with some of the figures relating to Sickness Absence and asked what improvements could be made. In response, it was recognised that Sickness Absence compliance figures were stable and this trend was continuing. There was inconsistency in some areas and it was essential that compliance was adhered to in all Directorates. Policy changes may come about in the future but to date trends in some areas were better but there was room for improvement. Benchmarking would be considered in order to address positioning of the current trigger points linking to initiation of the formal process.

Members of the Committee were interested in carrying out pre-decision scrutiny of the revised Attendance and Wellbeing Absence Policy, scheduled for Cabinet in June and asked that officers liaise with Scrutiny Services to ensure this came to this Committee in time for meaningful pre-decision scrutiny.

The Committee was advised that both Birmingham and Leeds recorded higher levels of sickness absence than Cardiff and improvement was beginning to show through. Agency spend was in the process of being addressed, along with PPDR compliance throughout the organisation. PPDR compliance was crucial for future development and contribution towards organisational change however, it must be accepted that overall compliance was unrealistic as a result of employees taking annual leave entitlement and experiencing sickness issues. Alternative delivery models were being considered in Leisure, Infrastructure and Events in order to continue to provide the services that people relied upon.

The Committee was assured that continuous engagement with staff was on-going as part of the PPDR process. Under performance was being recognised and actioned and all managers were being encouraged to engage in this process. Members of the Committee remained concerned with the amount of monies being spent on Agency Staff and asked for a breakdown. In response, it was suggested that one Directorate be identified and the agency spend figures be provided to the Committee.

The Committee was advised that discussions with the Chairperson of Cardiff Business Council had taken place regarding the reduction in funding. Discussions were taking place regarding officers in the Economic Development Team transferring to the Business Council and this would be sustained in the medium term in order to mitigate the risk. It was noted that this position was on-going with budget alleviation works in place.

Members of the Committee were of the view that the bullet points from the Star Chamber Action Plans should be shared with the Committee. It was emphasised that these processes should have been in place before now, yet it still seemed apparent that the same problems continued to exist. Some directorates displayed greater improvement than others and would sickness absence figures improve if services were out sourced.

The Committee was assured that sickness absence figures had reduced, they currently remained stable and it was recognised this needed further attention. The Sickness Absence Policy was being adhered to and if School's targets were removed from the figures most other services were 95% compliant. PPDR outcomes revealed shifts from compliance to quality with focus being directed towards positive actions and results.

Members of the Committee were informed that overall improvement in Children Services was recorded. There was a good level of interaction and improvement plans were being developed across the service. Space was being created to support safeguarding work with continued development of the Multi Agency Safeguarding Hub (MASH) to ensure intervention was in place before child protection. The Chairperson requested a one page briefing from the Director of Children's Services regarding this.

The Committee noted the information supplied on Welfare Reform and asked that the report considered by CASC be circulated to PRAP for information.

Members of the Committee were advised that Tenant rent arrears was actually lower than expected. The inter agency work service continued to provide support and advice to tenants and this had led to an accessible integrated advice service for users. Trends over the past 10 years in this area were being analysed and a clearer picture would be available following September 2015.

Members of the Committee were informed that the panels Outcome Agreement measure would be met this year.

The Committee felt the new performance reporting mechanism was more user friendly and easily accessible by the general public. The public were increasingly becoming more engaged with Council issues by means of consultation through social media. Members were informed a public facing version of the performance report would be produced for Q1 2015 – 2016.

Members of the Committee were concerned with the reductions towards the in-year grant in respect of the Minority Ethnic Achievement Grant (MEAG) and School Effectiveness Grant (SEG). The Council was actively working via the Regional Consortium to ensure Welsh Government understood the potential impact for Cardiff.

Work was on-going with Welsh Government to resolve this situation as the MEAG could have a significant affect on Cardiff alone.

Members emphasised the importance of the MEAG along with the significant difference to the achievement levels of individual pupils and paid tribute to their successes. Members therefore asked to receive a one page report on the Council's work with Central South Education Consortium regarding liaising with the Welsh Government to achieve flexibility in 2015/16 in the use of the single funding stream that replaced 11 existing funding streams for Education.

The Committee discussed issues relating to rent arrears, especially when a payment was taken from an account over the weekend. This could possibly put tenants in arrears and it was suggested that payment be made on a working day.

The Committee welcomed the reporting methods being introduced and members asked about the strengthening of Customer Services. Officers explained that all complaints and enquires were monitored in order to provide affective feedback. Ask Cardiff was a valuable tool in this process with customer satisfaction being at the forefront of the organisation.

RESOLVED: The Committee Agreed to outline the following:

- Members looked forward to Group Leaders being invited to the next Challenge Forum
- Members looked forward to shortly receiving the Challenge Forum papers, including confidential papers where Members would be bound by our Code of Conduct and Council's constitution.
- The Committee asked to receive the action plan for one of the Star Chamber actions as detailed in the report.
- Members asked that officers liaise with Scrutiny Services to ensure the revised Attendance and Wellbeing Policy came to this Committee in time for meaningful pre-decision scrutiny, currently scheduled for Cabinet in June 2015.
- The Committee requested a briefing paper from the Environment Director to explain the rationale for the use of agency staff in their Directorate.
- Members re-iterated their previous request for information on the results of PPDR dip-testing to be shared with Committee.
- The Committee agreed to seek briefing papers from the following Directors: Director of Children's Services, Director of Communities, Housing and Customer Services and Director of Education and Lifelong Learning.
- Members requested an update on the level of staff resources available to Cardiff Business Council once discussions have concluded and there was an agreed way forward.

38 : ORGANISATIONAL DEVELOPMENT: IMPROVEMENT GOVERNANCE

The Chairperson welcomed Marie Rosenthal, County Clerk and Monitoring Officer and Paul Keeping, Operational Manager Scrutiny Services.

The Chairperson reminded Members that this item gave them the opportunity to assure themselves of the progress in responding to the findings of the Audit Office's Corporate Assessment and in delivering the Organisational Development Programme.

The Committee was provided with the programme overview. The programme would demonstrably improve the quality of policy outcomes, public services and public spending. It was essential for there to be robust governance arrangements in place along with clearer opportunities for people to participate in decision making.

A number of required outcomes had been established consisting of the following:

- Councillors and officers working together to achieve a common purpose, with clearly defined roles and responsibilities.
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
- Taking informed and transparent decisions which were subject to effective scrutiny and managed risk.
- Developing the capability and capacity of councillors and officers to be effective.
- Engaging with local people and other stakeholders to ensure robust public accountability.

The Committee was reminded that in September 2014 the Wales Audit Office undertook a Corporate Assessment of Cardiff Council, which determined that 'Political and managerial instability over a number of years had meant that the Council has been unable to develop the culture and framework necessary for continuous improvement' Following this outcome Key Actions identified in the Wales Audit Office Corporate Assessment were:

- Elected Members to be provided with support and training to assist them in the delivery of their roles.
- Formal appraisal system to be in place for Cabinet, to assess the effectiveness of Cabinet Members
- Scrutiny Chairs to have clarity about how their roles were integrated with delivery of priorities to support good governance of the Council.
- Reports to Audit Committee, Scrutiny and Cabinet to have a clear purpose.
- Fewer items to be on the Agenda for meetings.
- Clarity about which responsibilities were delegated to individual members of the Cabinet.
- Time taken for Cabinet to consider Scrutiny reports to be reduced.
- Evidence to be available that Members and staff believed that the Scrutiny process was effective and being well utilised by the Council – assisting in the development of policies.

- All records to be published on the Council's website – Decisions, Supporting Information; Minutes; Committee Forward Plans; Scrutiny Forward Plans; Scrutiny Committee Annual Reports.
- Annual Complaints Report to clearly set out the reasons for complaints and set the actions the Council intends to take – with complaints being used to understand trends/ take corrective action to improve service quality/ customer experience.
- Cardiff Debate to evidence engagement with stakeholders, ranging from strategic partners to communities and individual service users, and how this engagement was being used to address challenges.

Members of the Committee were provided with the Programme Scope:

The Improving Governance Programme currently comprised 4 projects as follows:

- Improved Decision Making and Ethical Culture

This project included E-modernisation including embedding Modern.gov to ensure consistent public record keeping of committee papers, work plans, decisions and minutes in an easily accessible format for members and public. Review and refresh corporate safeguarding arrangements. Communicate the agreed values & standards widely within the Council to all stakeholders. Develop, communicate & embed codes of conduct, defining the standards of behaviour for Members and staff. Sponsor All Wales Standards & Ethics Conference 2015.

- Member Development and Engagement

The project included Member Development Strategy and revised Member development programme agreed at Democratic Services Committee in line with WLGA Charter. Improved Agenda Management and reports at all Committees with fewer information items, less duplication and more clarity about why items were being discussed.

- Improving Scrutiny

Strengthen the scrutiny function clarifying the role of Scrutiny and securing a more strategic view and focus on key information.

- Public Engagement and Communication

A Communication & Public Engagement Strategy was being developed, along with increased citizen participation using social media to access information about the Council. The Council's Twitter feed followers were increasing and this service was also available bilingually.

The Committee was advised that Members would be encouraged to become more involved in Scrutiny with drop in sessions being arranged for Members in order to develop and increase scrutiny awareness. Benchmarking alongside Core Cities was

essential to develop best practice, along with evaluating the scrutiny's status in order to understand and deal with the challenges ahead.

The Chairperson thanked officer for the informative information and invited the Committee to ask questions.

The Committee asked who would be involved in the Cardiff Debate to engage the public in shaping the future of the Council. In response it was advised that views were welcomed from all communities in Cardiff.

Members of the Committee welcomed the introduction of Modern.gov and thanked Democratic Services staff for supporting its implementation. Members also noted the proposal to develop, communicate and embed codes of conduct, defining the standards of behaviour for members and staff.

The Committee was advised that national codes could not be changed but there was scope to change local codes such as social media and whistle blowing policies.

Members noted there was an action on 'Executive Decision Making and Forward Plan' and wished to highlight that the current Forward Plan published on the Council's website ran from October 2014 – March 2015. Members of the Committee asked for the reasons as to why an updated Forward Plan had not been published and that the situation be rectified.

Members were keen for the Council to develop social media resources, with some Councils currently using YouTube as an interaction and development tool. It was also recognised that some of these social media facilities had no cost to the Council.

The Committee discussed the role of councillors in general since the introduction of the Local Government Act 2000. The roles were quite different to that of the old committee system and it was recognised that there was an expectation for councillors to become professional politicians. Support was also provided for councils to have smaller numbers of councillors with a suggestion of 20/30 in some instances. A members suggested that the Scrutiny Function required further attention with limits being placed on the amount of information and facts being considered.

The Committee was reminded of the Welsh Government Paper "Power to the People" and the impact this may have on local government. Part of this agenda would look at the Scrutiny Function with possibility of rolling the function out to communities to encourage public participation.

RESOLVED: The Committee Agreed to outline the following:

- The Committee passed their thanks onto Democratic Services staff for all their work on Modern.gov
- The Committee asked for reasons why an updated Forward Plan had not been published and asked that the situation was rectified.
- Members recommended that officers look at the work of other local authorities regarding the use of social media and web based tools in member training.

- Members asked for further information on how the wider member body would be emerged in the process of formulating a response to the Welsh Government White Paper 'Reforming Local Government: Power to Local People'

39 : BUDGET MONITORING 2014/15 - MONTH 9 - INFORMATION REPORT

The Committee noted the information contained in the Budget Monitoring 2014/15 Month 9 Report.

40 : DATE OF NEXT MEETING

31 March 2015