

Date: 19 November 2021

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Dear Huw,

**Policy Review & Performance Scrutiny Committee: 17 November 2021**

As Chair of the Policy Review and Performance Scrutiny Committee Members have asked that I pass on their thanks for your co-operation with our request for a full briefing on the Governance and Legal Services budget challenges. Please also pass on our appreciation to Davina Fiore, Director of Governance and Legal Services, Gary Jones, Head of Democratic Services, Sheila Davies, Operational Manager Communities, Leanne Weston, Solicitor and Ian Allwood, Head of Finance for supporting the scrutiny in the preparation of papers and attending committee. Members were grateful for the comprehensive presentation of the challenges faced and offer the following concerns and observations for your consideration.

**Challenges ahead**

The Committee notes the Governance and Legal service faces many challenges as a demand led service, particularly given the increasing number and complexity of safeguarding cases. We note that you are working closely with Finance to identify patterns and improve predictions of budget requirement. Members also note the increasing costs of democracy as the Council makes provision for hybrid and multilocation meetings and IT equipment to support 79 councillors in the future. We welcome the Director's assurance that the Council meets the need for resources to support effective corporate governance, noting that the service has maintained traditional spending commitments in Members Services in recent years We also welcome your assurance that the Democratic Services budget is not impacted by Legal Services overspending.

## **Charging framework/approach**

We explored the alternative budget option of Legal Services operating as a trading account, where internal client departments are charged for the work they commission from Legal Services. We note the Director's view that there are pros and cons to this approach and having worked in an Authority with this budget approach she would not advocate such a system as the result is a lot of time spent moving money around the organisation internally. Members also note the downside to the budgeting approach taken by the Council, where clients do not plan effectively and urgent legal advice is required, the Legal Service cannot put the Council at risk by failing to respond, and therefore incurs increased expenditure. The Director stated that the service will often ask Directorates to fund external legal spend from their own budgets where ineffective planning is the cause of added costs to the Authority. We note therefore that a trading approach would be a reserve option for a situation where the Legal Services budget cannot afford to undertake the work and the client refuses to cover costs.

## **Staffing issues**

The Committee was keen to establish whether there had been a cost benefit analysis of the impact of social services skills shortages and the use of agency workers on creating additional work for legal staff. We were assured that, against a backdrop of a national shortage of social workers, work to recruit new staff and improve skills has started. There still remain questions, however, as to the evidence that all social workers who should be able to prepare paperwork for the courts which meets its legal requirements have the ability to do so or are scheduled to receive the appropriate training.

## **Children's Services**

Members highlighted that the Children's Services Directorate often overspends its budget each year. They are therefore keen to establish that we are spending appropriately as a Council, including on legal costs and that our predictions for service demand are accurate. The Committee has, every budget year of this Council, raised the concern that annual spending trends need to be analysed and used, along with departmental knowledge, to predict budget requirements much more accurately. We believe that there is scope to substantially improve such forecasting. We appreciate that throughout the pandemic there has been an

increase in referrals and workload. Members consider, as the Council develops its budget for 2022/23, an assessment is needed as to whether further investment in Children's Services (in terms of recruitment, supervision and training) could be an invest-to-save option that would lower legal costs whilst improving the professional capacity of Children's Services. I will be copying the Committee's letter to the Director of Children's Services and the Chair of the Children and Young People Scrutiny Committee to inform their forthcoming budget development and scrutiny respectively.

### **Recruitment and resources**

The Committee explored how well the Council's Legal Service is resourced, and whether there have been any difficulties recruiting solicitors. We note that the Communities Team has increased its resources, and there are now 4 Legal Services trainees.

Members highlighted that the Licensing Committee has, on occasion, had issues with securing timely legal services from the Litigation Team. We note there has been no growth in this small team. The Director was clear that no areas of the service, or indeed the wider directorate, are over staffed and whilst the impact of staff absence is sometimes an issue, as teams have no spare capacity, there is no reason that the Litigation Team would be more stretched than other teams in the Council. However, since this matter was raised by the Chair of the Licencing Committee, we request that you seek further details from her on the matters she raised about legal services resourcing of the committee.

Once again, on behalf of the PRAP Scrutiny Committee the attendance of yourself and senior officers to assist us in our consideration of the Governance and Legal Services budget and service challenges is much appreciated.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Walker', written in a cursive style.

**COUNCILLOR DAVID WALKER**

**CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Members of the Policy Review & Performance Scrutiny Committee,  
Councillor Lee Bridgeman, Chair, CYP Scrutiny Committee  
Davina Fiore, Director of Governance & Legal Services  
Gary Jones, Head of Democratic Services  
Sheila Davies, Operational Manager Community  
Leanne Weston, Solicitor  
Ian Allwood, Head of Finance  
Deborah Driffield, Director of Children's Services  
Alison Jones, Principal Scrutiny Officer, CYP Scrutiny Committee  
Andrea Redmond, Committee Support Officer,  
Debi Said, Cabinet Support Officer  
Joanne Watkins, Cabinet Office Manager