

ANNUAL WELL-BEING REPORT 2021/22

**LEADER (COUNCILLOR HUW THOMAS) AND CABINET
MEMBER FOR FINANCE, MODERNISATION & PERFORMANCE
(COUNCILLOR CHRIS WEAVER)**

AGENDA ITEM: 2

Reason for this Report

1. This report is the Council's annual performance report, providing an assessment of the progress made in the delivery of the administration's priorities as set out within the Corporate Plan 2021-24. This report also enables the Council to discharge a number of statutory obligations, including a self-assessment of performance as required by the Local Government and Elections (Wales) Act 2021 and the publication of a statutory Annual Well-Being Report, as required by the Well-Being of Future Generations Act (Wales) 2015.

Background

2. The Council's Corporate Plan translates the administration's political priorities into deliverable organisational objectives. The Council's budget is also developed in tandem with the Corporate Plan on an annual basis to ensure alignment between the Council's budget and corporate priorities.
3. The Well-Being of Future Generations (Wales) Act 2015 requires the Council, as a public body, to publish Well-Being Objectives and how it plans to achieve them. These Well-being Objectives were set out in the Council's Corporate Plan 2021-24 as follows:
 - Cardiff is a Great Place to Grow Up
 - Cardiff is a Great Place to Grow Older
 - Supporting People out of Poverty
 - Safe, Confident and Empowered Communities
 - A Capital City that Works for Wales
 - Cardiff Grows in a Resilient Way
 - Modernising and Integrating our Public Services
 - Managing the Covid-19 pandemic

4. The Annual Well-Being Report 2021/22 is a statutory annual review and self-assessment of performance in line with the commitments set out in the Council's Corporate Plan 2021-24 and includes:
 - A strategic self-assessment of the Council's performance for the reporting year 2021/22 against each of the Well-being Objectives (**Appendix 1**);
 - A detailed update – with RAG ratings – against the Key Performance Indicators included within the Corporate Plan 2021-24 (**Appendix 1a**); and
 - A detailed narrative update – with RAG ratings – against the Steps included within the Corporate Plan 2021-24 (**Appendix 1b**).

Self-Assessment of Performance: The Council's Planning and Performance Framework

5. The Cabinet approved a strengthened Planning and Performance Framework on 24 February 2022, which responds to the new performance requirements set out in the Local Government and Elections (Wales) Act 2021.
6. Part 6, Chapter 1 of the Local Government and Elections (Wales) Act 2021 places a new duty on local authorities to keep performance under review. The Act also places a duty on principal councils to report on performance through the production of a self-assessment report in respect of each financial year. The Act, and associated Welsh Government guidance, sets out the expectations and purpose of the self-assessment, which is summarised as follows:

“...a way of critically, and honestly, reviewing the current position in order to make decisions on how to secure improvement for the future. Self-assessment is more than stating what arrangements are in place; it is about considering how effective these arrangements are and how they can be improved. Self-assessment of how the council is meeting the performance requirements places ownership of performance and improvement firmly with councils...It is about a council being self-aware, understanding whether it is delivering the right outcomes, and challenging itself to continuously improve.”

7. The self-assessment report must set out its conclusions on the extent to which the Council met the performance requirements during that financial year, and any actions it intends to take, or has already taken, to increase the extent to which it is meeting the performance requirements.
8. The Council's strengthened approach to self-assessment draws on a number of sources of performance information to assess progress against Well-being Objectives, including:
 - Progress against the Council's Key Performance Indicators;

- Progress against the Steps under each Well-being Objective;
 - Regulatory assessment;
 - Surveys and citizen feedback;
 - Annual complaints report;
 - Financial monitoring – the Council's Outturn Report 2021/22 serves to inform the Council's financial position in respect of the year ending 31 March 2022;
 - Feedback from Scrutiny Committees and the Governance & Audit Committee – the Council responds to the issues raised and recommendations made by Scrutiny Committees, which help to inform performance improvement;
 - Risk – the Council's corporate and directorate risks are considered fully;
 - The Annual Governance Statement, supported by the Senior Management Assurance Statement.
9. These sources of performance information are reviewed annually to enable the Council to develop a rounded picture of the Council's improvement journey over the year, which is set out in the Annual Well-being Report. The report provides a balanced assessment of performance for each Well-being Objective, recognising areas of progress, risk, as well as identifying specific areas of improvement and performance challenge, which will require further attention in the year ahead. This approach supports a more nuanced evaluation of the Council's performance and a more constructive performance discussion than the previous categorisation of performance for each Well-being Objective.
10. The Council also has in place a performance and accountability regime, which involves the wider political governance of the Council. In developing the self-assessment of performance, the following steps have been undertaken to provide opportunities for challenge and to ensure a full and balanced assessment:
- Directorate self-evaluation of performance;
 - Assurance sessions with each Director that are convened by the Chief Executive and Section 151 Officer to consider performance, risk & financial challenges and priorities;
 - Assurance sessions with the Chief Executive and the Council's Senior Management Team that are convened by the Cabinet;
 - Consideration by the Council's Governance & Audit Committee in accordance with the requirements of the Local Government and Election (Wales) Act 2021.
 - Performance Panel Review, convened by the Chair of the Policy Review and Performance Scrutiny Committee, and involving the Chair of each of the Council's Scrutiny Committees;

- Consideration by the Policy Review and Performance Scrutiny Committee.
11. The Performance Panel, which brings together the Chairs of the Council's five Scrutiny Committees and representatives of the Policy Review and Performance Scrutiny Committee, considered the Annual Well-being Report 2020/21 on 12 September 2022. The Performance Panel Chair's Letter, Performance Panel Observations and Cabinet's response to the recommendations are included as Appendix 2a, 2b and 2c respectively.
 12. The Council's Governance & Audit Committee considered the Annual Well-being Report 2020/21 on 27 September 2022. The Governance and Audit Committee's letter is included as Appendix 3 to this report.
 13. The Policy Review and Performance Scrutiny Committee is also due to consider the Annual Well-being Report 2021/22 on 18 October 2022. Any comments received following that meeting will be circulated at the Cabinet meeting on 20 October 2022.

Covid-19 Pandemic Response

14. In 2021/22, the Council and its public service partners in Cardiff continued to lead the response to the Covid-19 pandemic, preventing the spread of the virus, whilst ensuring the continued delivery of key frontline services and the protection of the city's most vulnerable people. Due to the success of the mass vaccination programme in the UK, the course of the pandemic has changed, and the link between the virus, serious illness, hospitalisation, and death has been weakened significantly. The policy position, as it has nationally, has therefore graduated beyond crisis response towards the ongoing management of Covid-19 as a vaccine-preventable disease.
15. In 2021/22, the Council and its partners can demonstrate a number of major achievements in responding to the Covid-19 pandemic, including:
 - Delivery of the Mass Vaccination Programme: The Council continued to work with partners in providing logistical support at Mass Vaccination Centres established in buildings owned by the Council. Councillors also received daily updates on the outputs of the Mass Vaccination Programme, including a detailed breakdown of take-up by age and setting.
 - Supporting Vaccination Uptake Amongst Ethnic Minority Communities: The Council worked with partners to engage intensively with communities and demographic groups with lower uptake of the vaccine. Leaflets about Covid-19 vaccination were produced and disseminated in various community languages. This work will continue with a broader focus on longer term priorities, such as improving health outcomes for ethnic minority groups in the city.

- Delivering an Effective Test, Trace, Protect (TTP) Service: The TTP Service established in Cardiff was a major success during the Covid-19 pandemic and played a vital role of tracking and limiting the spread of the virus. This led to the Welsh Government Cardiff TTP Service that requested that Cardiff Council be the hosting body for a National TTP Team, providing “overflow” support to regions across Wales when demand exceeded capacity. Following the removal of the majority of Covid-19 restrictions in March 2022, as well as Welsh Government’s publication of the long-term plan to live with Coronavirus safely, the TTP Service has been scaled down, but remains operational. Moving forward, a new structure will be needed for the service so that it remains proportionate to the ongoing risk and enables resources to be effectively re-directed should the service need to be re-established at scale.
 - Health, Safety and Wellbeing of Staff and Service Users: The health, safety and wellbeing of council staff and service users has been a foremost consideration for the Council throughout the pandemic. Throughout 2021/22, the Council’s Covid-19 Secure Policy was continuously updated, in line with evolving Welsh Government and Public Health Wales requirements and remains under ongoing review. The Council’s Health & Safety Team also continuously monitored the Corporate Covid-19 Risk Assessment, ensuring it reflected Welsh Government and Public Health Wales guidance and supported service areas in updating their own service-specific Covid-19 Risk Assessments.
 - Ensuring the Availability of Appropriate PPE: Effective arrangements ensured the availability of PPE throughout 2021/22, with a focus on critical services. As part of this approach, a PPE Demand Compliance Assessment Tool was created for social care services. Procedures were established to ensure any areas of concern were addressed, with clear escalation systems in place. This analysis was used to inform the dynamic ordering of stock through NHS Shared Services and an exercise was also undertaken to establish projected non-Social Care PPE needs in the 2022/23 financial year.
 - Compliance with Covid-19 Regulations: Throughout 2021/22, the Covid Enforcement Team worked across Cardiff to ensure compliance with all Covid-19 regulations that fall under the authority of Shared Regulatory Services. This included detailed advice given to businesses to support them in operating safely, as well as routine checking of arriving travellers.
16. Vaccination will remain a critical part of the response to Coronavirus, and it is therefore crucial that the mass vaccination programme continues to be promoted as part of ongoing activity to prevent illness. This will require a specific focus on addressing inequalities in uptake across all population groups. The Council and its partners will need to be ready to respond to any new variants of concerns that lead to changes in national policy, including if necessary, re-establishing some of the Covid-19 governance response arrangements. The Council will also continue to work in partnership with Cardiff & Vale University Health Board to promote the uptake of vaccinations, particularly among low-uptake groups in the city.

Areas of Progress and Improvement:

17. The Council continues to evidence a broad pattern of year-on-year improvement across a range of council services, with clear progress being made in the delivery of Corporate Plan commitments in 2021/22:

- As part of a £1 billion Council-led programme to deliver 4,000 homes over ten years, 683 of the first 1,000 homes have now been delivered, with 131 completions in 2021/22.
- The number of rough sleepers has remained low, with recorded figures as low as 11 during 2021/22 and consistently below 25, compared with 130 pre-Covid.
- The new 17,000 seat Indoor Arena secured planning consent in March 2022, together with outline planning consent for the wider Atlantic Wharf regeneration scheme.
- During 2021/22, the Council played an active role in creating 1,190 new jobs and safeguarding 912 jobs within the local economy.
- During 2021/22, over £17.2million of additional weekly benefit payments were identified for clients of the Council's Money Advice Team, exceeding the target of £14million and representing an increase of £1.8million since 2020/21.
- The Onsite Construction Academy has far exceeded its targets in supporting over 65,200 people in 2021/22, with at least 1,241 supported into work and 266 employers assisted.
- Cardiff became the first local authority in Wales to achieve membership of the WHO Global Network for Age-friendly Cities and Communities.
- The implementation of a Recruitment & Retention Strategy and Workforce Plan within Children's Services has improved the Council's ability to attract and retain social workers, resulting in a net increase of 13 staff members during the year.
- Following an inspection by Estyn in November 2021, the subsequent report was published in February 2022 and noted sustained and incremental improvement in the quality and effectiveness of Education Services in Cardiff.
- Sustained low level of young people not in education, employment, or training (NEET) at the end of Year 11, with 1.5% of learners (53 young people) identified as NEET in October 2021.
- The programme of work to recruit and retain social workers is proving effective, meeting a Corporate Plan target which is recognised as being challenging to achieve given labour market conditions.

- There has been a continuing shift in the balance of care.
- 15 Council parks and green spaces have been awarded full Green Flag status.
- In 2021/22, over £2.5m has been invested in play areas and parks infrastructure.
- As part of Cardiff's One Planet Cardiff Strategy, 20,000 trees were planted across the city in 2021/22.
- The Council has expanded its Electric Vehicle (EV) fleet to 70 vehicles and delivered 59 EV charging units.
- Completion of the Bus Retrofit Scheme, implementation of 36 Electric Buses (not funded by Welsh Gov)
- The Council has reconstructed 112 roads and resurfaced, surface treated or reconstructed 46 footways, comprising a total of circa 190,000 square metres of surface treatment.

Corporate Improvement Priorities

18. The Annual Well-being Report 2021/22 highlights a range of performance challenges, which need to remain the subject of corporate focus over the year ahead:

- **Financial Pressures:** Financial support from the Welsh Government's Covid-19 Hardship Fund ceased at the end of the 2021/22 financial year and represents a major risk for the Council that will require active management, particularly for income generating services facing continued disruption and those services where increasing and more complex demand as a result of the pandemic is being felt. Over the medium term, despite more generous indicative financial settlements from the Welsh Government, rising demand in key services means that the Council must continue to plan for a significant medium-term budget gap. In July 2022, an update report on the 2023/24 budget process and Medium Term Financial Plan showed an increase in a potential budget gap from £69 million to £91m over the period from 2023/24 to 2026/27. This worsening financial position is due to a number of contributory factors, including high food and energy prices and disruption to global supply chains linked to Russia's invasion of Ukraine and Covid-19 lockdowns in China. The Bank of England is forecasting that inflation will continue to rise to over 13% and has also warned that the UK economy will fall into recession later this year, which will then last until the end of 2023.

High inflation is putting significant pressure on the Council's capital budgets due to supply chain cost increases, demand for investment to maintain condition and capital receipt assumptions. This is

demonstrated by the impact on the construction sector where not only are essential materials and skilled labour significantly more expensive, but supply chain pressures and shortages are making it difficult to secure construction materials. Across the UK, this challenging combination is leading to delays in the delivery of large schemes, which is anticipated to continue in the immediate future. The Council will therefore need to maintain a sharp focus on capital spending and ensure detailed management of programme timescales and costs.

- **Demand Pressures in Children's Services:** The 2021/22 financial year saw a significant increase in demand for Children's Services, particularly at the front door, with children looked after numbers increasing, as well as the number of children placed on the Child Protection Register. In parallel, whilst work has been done to support newly qualified social workers, it has been difficult to attract and retain experienced social workers, with turnover rates in Children's Services high, at 13.46%. Subsequently, sufficiency of placements and accommodation for children looked after and care leavers are resulting in an increase in the number of children being placed in high-cost and unregulated placements. It is anticipated that this increase in demand will continue – as the long-term impact of Covid-19 on children and their families emerges – and present major budgetary pressure. This reinforces the need to deliver against the strategic change objectives and shift the balance of care.

In addition to the rise in the number and complexity of cases, there has also been an increase in the number of young people presenting with mental health and emotional wellbeing issues. This has resulted in further budgetary pressures.

The increase in demand and complexity, alongside the ongoing impact of the pandemic, has had a considerable effect on performance against key targets, such as the timeliness of wellbeing assessments and completion of plans for children looked after. Moving forward, the service will be closely monitoring performance to inform project planning and the implementation of the improvement workstreams that are set out in the Local Authority Social Services Annual Report 2021/22.

- **Workforce Pressures:** Local government faces a number of workforce challenges in ensuring sufficient capacity, appropriate skills and in recruiting and retaining staff, particularly given the level of competition for some professions. More recently, recruitment and retention issues have been recognised as a problem not just in local government, but on an economy-wide basis. To ensure a more comprehensive approach to workforce planning, the process is being further developed to align to the Council's policy and performance framework. This will enable a more strategic and integrated process to attracting future talent, including increasing apprentice and trainee opportunities, work experience placements, improve the diversity of

the workforce and deliver a workforce fit for the organisation's requirements of the future.

- **Recycling Performance:** Cardiff's recycling rate in 2021/22 fell short of the 64% statutory target set by the Welsh Government. In addition to the environmental impacts, failing to meet Welsh Government's statutory targets exposes the Council to a potential significant financial penalty and places additional financial costs on waste & recycling services.

A number of challenges to improving recycling rates are unique to urban areas, whilst a series of highly disruptive events emerged during 2021/22 to further impact performance improvement. For example, ensuring the sustainability of waste collection during the height of the pandemic and in response to the national labour shortages demanded a focus on residual waste. Measures have been progressed to improve performance, with the ongoing transformation of operational arrangements delivering efficiency gains and new collections measures being piloted across the city. Drawing on this work, and extensive engagement with the Welsh Government and WRAP Cymru, a new Recycling Strategy was approved by the Cabinet on 28 September 2022, which sets out proposals for meeting the statutory recycling targets.

- **Organisational Adaption to the Post-Pandemic Situation:** In May 2021, the Council set out its framework for organisational recovery and renewal, outlining opportunities to adapt to the new operating environment as a result of the pandemic. The framework includes opportunities for service innovation, digitalisation, flexibility, and continued partnership working, with a major component being the development of a 'hybrid working' model. Work to embed hybrid working has involved the creation of flexible workspaces in County Hall, together with meeting rooms with hybrid facilities, for staff to utilise. The transition to this working model is enabled by the Council's investment in digital infrastructure, services, and skills, which will need to be continued post-pandemic, to enable the implementation of hybrid working as 'business as usual.'

Future Focus: 'Stronger, Fairer, Greener'

19. Following the local council elections in May 2022, the Leader of the Council publicly launched the new administration's policy agenda for the next five years, entitled 'Stronger, Fairer, Greener', on 19 July 2022, which was also considered by both the Cabinet on 14 July 2022 and Council on 21 July 2022. The Council's policy framework, focusing primarily on the new Corporate Plan 2023-26, will translate these policy priorities into clear organisational objectives with associated delivery milestones, key performance indicators and the necessary resources to ensure progress.

Reason for Recommendations

20. To enable the Annual Well-Being Report 2021/22 to be considered and approved by Council on 27 October 2022 and published thereafter.

Financial Implications

21. The Annual Well-being Report is a self-assessment of the performance of the Council and a commentary on its governance framework. A summary of the financial pressures that are facing the Council are set out in paragraph 18. The Annual Well-being Report contains targets and objectives with actions that need to be consistent with the budget framework and Medium Term Financial Plan. Proposals should be subject to detailed reports each accompanied by a robust business case where relevant and should include sufficient financial detail in order to set out the full and robust financial implications as well as be fully informed of associated risks and uncertainty.

HR Implications

22. There are no HR implications directly associated with this report.

Legal Implications

23. Equality Requirements: In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010. Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation (i) Religion or belief – including lack of belief.
24. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers (WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 (gov.wales) and must be able to demonstrate how it has discharged its duty.
25. Well Being of Future Generations (Wales) Act 2015: The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving seven national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

26. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives relevant to this report are set out in Cardiff's Corporate Plan 2020-23. When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
27. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way 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 account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term;
 - Focus on prevention by understanding the root causes of problems;
 - Deliver an integrated approach to achieving the seven national 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
28. Under Part 6, Chapter 1 of the Local Government and Elections (Wales) Act 2021 the LA has a duty to review, consult and report on performance each financial year, as well as arrange panel performance assessments. The LA's '*performance requirements*' are as follows:
1. Exercising its functions effectively
 2. Using its resources economically, efficiently and effectively
 3. LA's governance is effective for securing the matters set out in 1 and 2.

Chapter 1 also refers to the Auditor General who may undertake an inspection of the LA if they are not meeting their performance requirements. In this circumstance the Auditor may make recommendations to the LA to which the LA must respond with their proposed actions. Chapter 1 of Part 6 came into force on 1 April 2021, and panel performance assessments came into force following the ordinary local government elections in May 2022.

29. The decision maker must be satisfied that the proposed decision accords with the principles above; and 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=end>

30. The decision maker should also have regard, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

Property Implications

31. There are no specific property implications in the Annual Well-Being Report 2020/21 report. However, the Strategic Estates team will assist and advise where necessary on any property issues require to deliver any proposals.

RECOMMENDATIONS

Cabinet is recommended to:

1. Delegate authority to the Chief Executive, in consultation with the Leader of the Council and Cabinet Member for Finance, Modernisation & Performance, to make any consequential changes to the Annual Well-being Report 2021/22 following the receipt of any comments from the Policy Review and Performance Scrutiny Committee.
2. Subject to recommendation 1, approve the Annual Well-being Report 2021/22 for consideration by Council.

SENIOR RESPONSIBLE OFFICER	Paul Orders Chief Executive
	14 October 2022

The following appendices are attached:

- Appendix 1: Annual Well-being Report 2021/22
- Appendix 1a: Q4 Position for Key Performance Indicators included within the Corporate Plan 2021-24
- Appendix 1b: Q4 Position for Steps included within the Corporate Plan 2021-24
- Appendix 2a: Performance Panel Chair's Letter
- Appendix 2b: Performance Panel Recommendations
- Appendix 2c: Cabinet Response to Performance Panel Recommendations
- Appendix 3a: Governance & Audit Committee Letter

Appendix 3b: Response to Governance & Audit Committee

Appendix 4: PRAP Letter (Not yet received)

The following background papers have been taken into account:

- Cabinet Report, 24 February 2022: Performance and Planning Framework & Data Strategy
- [Performance and governance of principal councils: Statutory guidance on Part 6, Chapter 1, of the Local Government and Elections \(Wales\) Act 2021](#)