

**CITY AND COUNTY OF CARDIFF
DINAS A SIR CAERDYDD**

POLICY REVIEW & PERFORMANCE

SCRUTINY COMMITTEE

8 September 2015

QUARTER 1 PERFORMANCE REPORT 2015/16 (April to June)

Reason for the Report

1. To present the City of Cardiff Council's performance report for Quarter 1 (April to June) of 2015/16 prior to its consideration by the Cabinet. The Performance Report for Quarter 1 2015/16 is attached at **Appendix A**.

Background

2. The Council's Performance Management Framework includes the production of quarterly performance reports designed to provide an overview of Directorate performance. Effective scrutiny of performance is an important component of the Framework as it provides the opportunity to challenge performance levels, and helps the Council reprioritise efforts to secure the delivery of the Council's priorities and targets.
3. Each Quarter, the Policy Review & Performance Scrutiny Committee (PRAP) receives the overall performance report for the Council prior to the report going to Cabinet, while other Scrutiny Committees receive the reports of those Directorates that fall within their terms of reference. Policy Review & Performance Scrutiny Committee's role is two fold:
 - To consider the overall performance of the organisation and the actions being taken to ensure that agreed targets and commitments are delivered;
 - To scrutinise the performance of the services that fall under the terms of reference of the Committee (contained in the corporate overview).

Performance Overview

4. As part of the development of the performance management arrangements in the Council, and specifically in relation to improving the internal challenge regarding performance of services, the Council has introduced a 'Star Chamber' where the Chief Executive, Directors and Cabinet Members have an open and candid debate regarding performance levels, and challenges facing service delivery and where a set of actions are agreed.
5. Actions for each Directorate arising from the 'Star Chamber' are included in this cover report.

Quarter 1 Performance Report Structure

6. Attached at **Appendix A** is the Quarter 1 performance report. This report provides an analysis of performance for each Directorate, including:
 - Key performance indicators;
 - Progress against Corporate Plan commitments;
 - Financial performance;
 - Management issues;
 - Key challenges & risks.
7. In addition the report includes a corporate overview covering:
 - Financial overview;
 - Various staffing issues (Sickness absence, Personal Performance & Development Review compliance etc). Return to work compliance data has also been provided to show a more detailed picture;
 - Staff costs (including overtime and agency spend);
 - Customer contact. This has been revised to take account of feedback as a result of Scrutiny of the Q2 2014/15 report;
 - Freedom of Information request compliance with statutory timescales.

8. Performance reports for Q1 have been through 'Star Chamber' sessions where Cabinet Members and Directors have reviewed and challenged performance and agreed actions that need to be taken to address issues raised in the report.

Summary of key issues from Corporate Overview

9. Across all Directorates 82.03% of Corporate Plan commitments are Green and 56.35% of Performance Indicators are Green.
10. Members' attention is drawn to the key issues listed in paragraphs 10-14 below, arising from the corporate overview of performance:

Sickness Absence

11. The sickness figure for Quarter 1 is 2.2 days lost per Full Time Equivalent employee (FTE). This represents a decrease over the same time period in the previous financial year and is the lowest Quarter 1 figure for five years. The current forecast is 9.3 FTE days lost against a target of 9.0 FTE days lost.
12. The Attendance and Well-being Policy has been reviewed and approved.
13. *STAR Chamber Actions* –
 - *Sickness Absence data format to be reviewed to develop an improved format which enables the breakdown of sickness absence service statistics is reported consistently and facilitate more detailed robust challenge.*

Personal Performance and Development Reviews (PPDR)

14. As at 17 July 2015 PPDR initiation compliance was 90%.

Freedom of Information Requests

15. At Q1 2014/15 PRAP challenged officers to improve performance of "multi-service" FOI requests, which was showing a low level of compliance (31%). In

Quarter 1 2015/16 the Council handled 46 multi-function requests and compliance was 61%.

Summary of Key Issues

Adult Social Care

16. Performance in relation to Delayed Transfers of Care for Social Care reasons has declined in Quarter 1 2015/16 to 86 when compared to 29 in Quarter 1 2014/15. A new leadership group has been established with the Vale of Glamorgan Council and the Chair of the University Health Board. A joint action plan has been agreed by the Health Minister and is being driven forward via a recently formed Task & Finish group.

17. The number of carers assessments offered has increased in Quarter 1 by 46.56% when compared to the same relevant period in 2014/15. In Quarter 1 2015-16 there were 799 offers for 2740 named carers compared to 427 offers for 2204 named carers in Quarter 1 2014/15.

18. Performance in relation to Direct Payments has improved by 5% in Quarter 1 to 578 when compared to 550 at the end of Quarter 4 2014/15. Checks are being made to ensure that Direct Payments are being offered, and a review of the contract arrangements has taken place with £100,000 in savings due to be realised in 2015/16.

19. *STAR Chamber Actions* –

- *A clear, easy to understand narrative to be developed around the Programme for Change and sessions to be delivered to Members to support.*
- *Establish an improved Management Information System in Adult Social Care.*

Children's Services

20. Positive progress is being made in a number of areas and progress during Quarter 1 includes:

- Finalisation of the Looked After Children (LAC) Strategy which will be considered at the next Corporate Parenting Advisory Committee in September;
- LAC Traineeship Scheme relaunched – five young people in placements;
- Enhanced Fostering Scheme operational;
- Regional Adoption Service operational.

21. *STAR Chamber Actions –*

- *Corporate risks to be re-written to be Social Services wide.*
- *Update regarding Corporate Legal Support to be provided at Q2t.*

City Operations

22. Staff and Trade Union consultation has commenced in relation to the proposed changes to the New Household Waste & Recycling Centres. Market testing has been undertaken but the legal operating permits may take 6-9 months to obtain from National Resources Wales and the location is to be finalised.

23. The percentage of major and householder planning applications determined within 13 and 8 weeks respectively have declined in performance when compared with the same relevant period in 2014/15. Measures are currently being developed to respond to a complex and heavy workload and full details will be finalised by late summer.

24. In relation to the new bus station we have delivered a Communication Plan regarding the interim arrangements prior to the bus station closure. Information leaflets have been circulated and briefings to key stakeholders, Cabinet and Councillors have taken place.

25. *STAR Chamber Actions –*

Improve the compliance with PPDR process across the Directorate to ensure that 95+% level is reached.

Communities, Housing & Customer Services

26. The number of Connect 2 Cardiff (C2C) calls answered have improved to 91.6% in Quarter 1 compared to 86.9% in Quarter 4. C2C received an additional 33,000 calls in Quarter 1 and despite call queues not meeting the set target of 40 seconds; performance remains stable when compared to Quarter 1 in 2014/15 with calls queuing an average of 51 seconds.
27. The average number of calendar days taken to deliver a Disabled Facilities Grant has declined in performance to 214 calendar days, compared to 175 in Quarter 1 2014/15. Work has been delayed due to contractual resource issues; however, new monthly performance monitoring is currently being developed.
28. The closure of Central Library for five weeks, the closure of Roath Library for Health and Safety reasons and the closure of Grangetown Library for refurbishment have impacted on the number of library materials issued. Performance in Quarter 1 represents a decrease of 75,838 materials issued when compared to 2014-15.
29. *STAR Chamber Actions –*
- *Further mitigation to be included in relation to the reduction in the number of visits to Public Libraries.*

Economic Development

30. The Corporate Property Strategy Asset Management Plan was approved by Cabinet in July and Property Partners from Strategic Estates have worked with service areas to develop a property master schedule detailing gross internal area for all buildings, running costs, maintenance backlog and capital receipts.
31. The Council has embarked on a review of the Cardiff Business Council (CBC) in anticipation of future funding short falls and the City Deal opportunity. Membership of the CBC stands at 164 in Quarter 1 and this is significantly below the annual target of 1000 members.

32. The delivery of an office rationalisation programme to deliver £1m of revenue savings and £6m of capital receipts by December 2017 is on target at Quarter 1 and Council teams have vacated Charles Street and operational costs ceased in June.

33. *STAR Chamber Actions* –

- *Produce a Position Statement regarding the budgetary position and mitigation plan for in year spend and £3.5m of capital receipts.*

Education and Lifelong Learning

34. Provisional data shows that performance in the Foundation Phase, Key Stage 2 and Key Stage 3 has improved. However, performance for the Foundation Phase and Key Stage 3 remain below the Consortium average, whilst performance for Key Stage 2 is now in line with the Consortium Average.

35. Significant progress has been made in the implementation of projects that were agreed as part of the 21st Century Schools Programme. These include Stage 1 procurement for Eastern High and the appointment of a Development Partner and procurement for the four new Primary Schools.

36. Attendance in Secondary Schools failed to meet its end of year target of 94.1% with performance sustained at 93.8%. There are three secondary schools causing concern and assistance has been provided to target non-attendance.

37. *STAR Chamber Actions* –

- *Establish a clear strategy to improve the recruitment and retention of high quality school governors.*
- *Undertake work with Children's Services to ensure a joined up approach, especially in relation to Looked After Children, with a detailed analysis of the issues coming back to Cabinet.*

Governance & Legal Services

38. In relation to the development of a new Welsh Language Centre, Knox and Wells have been formally appointed to undertake the capital works programme. The

Welsh Language Partners have received their Heads of Terms and leases have been completed.

39. STAR Chamber Actions –

- *Broaden the sample of members participating in the testing of alternative mobile devices as part of the IT for Members work.*
- *Present a Briefing Note setting out the details of:*
 - *rebalancing of Legal Services work in Social Services between internal legal service and external providers.*
 - *improving voter registrations.*
 - *improving PPDR compliance within the new Governance and Legal Services Directorate to reach 95%.*

Resources

40. Work has commenced on the Budget Strategy for 2016/17 and the medium term, the emphasis is on prioritising services and delivering efficiencies to ensure that a balanced budget can be set and a sustainable Medium Term Financial Plan established.

Challenge Forum

41. In July 2015 the revised terms of reference for the Forum were accepted.

42. The Forum considered the “Update on the Organisational Development Programme (ODP)” and Budget Strategy. Given that the WAO, in its Corporate Assessment, made one single recommendation that *“the Council ensures the implementation of its Organisational Development Plan and resolves the range of issues identified in [the] assessment”* the Challenge Forum were invited to assess progress and reflect on the organisation’s plan for financial resilience as well as specific plans for social services and education.

43. **Education:** The overall picture is one of improvement with performance having improved for 2014 and 2015, closing the performance gap that exists between

Cardiff and the rest of Wales. Estyn recognised this progress in the most recent monitoring letter on education services for children and young people, noting that: *“overall, there is an emerging culture of more rigorous performance management...”* (May 2015).

44. Robert Hill was invited to share his reflections, and reiterated that education in Cardiff was characterised by progress and improvement. The relationship with the Consortium is being managed well, and school leadership is being provided with support and challenge. The projections for education, if accurate, will show continued improvement, providing cause for optimism ahead of the forthcoming GCSE and A-Level results. There is a recognisable shift in culture, with schools open to working together. Future work must focus on accelerating performance improvement, supporting effective leadership and modernising the support functions for schools.
45. **Social Care:** Performance indicators for Social Services presented a complex picture. At the local level, indicators are beginning to progress, though it remains to be seen how Cardiff's position would compare with the rest of Wales. That said the basket of performance indicators Cardiff has selected locally- and set targets against- provided cause for optimism. Members of the Forum noted, however, that many of the National Strategic Indicators and Public Accountability measures (NSIs and PAMs) are likely to require concerted effort, if Cardiff's performance is to improve relative to the rest of the Wales. In terms of Delayed Transfer of Care a 25% reduction target was set by the Minister which has been achieved, however the challenge now is to maintain performance. A strengthened culture of responsibility and accountability was also seen to be emerging with the external peers commenting on the managerial stability that had been brought into children services. The merging of adult and children's services therefore provided opportunities for greater alignment.
46. In respect of managing future demand, the development of the Integrated Care Fund project would play an important role. It was recognised however, that further work was needed to better understand demand across the range of adult and children's services. Equally, budget monitoring revealed a need to refocus

efforts on financial discipline, supported by the additional controls put in place. Whilst the additional budget controls were mitigating some instances of overspend, it continues to be an area where dedicated focus needs to be provided.

47. Whilst there is progress in Social Services, much work remains to be done.

Ahead of the Corporate Assessment follow on visit it was agreed that the Council would need to demonstrate i) a thorough understanding of the challenges it faces ii) an understanding of internal deficiencies and iii) the actions it will undertake to address these deficiencies. These were all issues that would be covered by the Director of Social Services Annual Report.

48. **Financial Resilience:** There was a consensus that the Council's approach to budget control was consistent with other authorities facing similar financial challenges. That said, the prevailing challenge for the Council would be to guard against monthly slippage as it would translate into a significant financial pressure given the anticipated level of budget shortfall. The Forum also regarded the new senior management arrangements appropriate, providing sufficient but sustainable management capacity. This was considered another important factor in helping to provide reassurance that the savings target could be delivered, despite the scale of the challenge and level of risk involved.

49. **Political Engagement:** The peer advisors emphasised the importance of robust cross party political governance in the long term success of the Council. In terms of the structures and processes established in Cardiff, it was thought that the Council had responded well to the observations of the WAO. The Challenge Forum itself was identified as one such example. Cabinet Members, scrutiny representatives, opposition leaders, senior officers and external peer advisors are all brought together for an inclusive discussion about the overall form and future direction of the organisation. These are all important considerations for the Council, particularly during a period of transition. This enables important constituents within the organisation to collectively consider overarching organisational challenges whilst helping ensure alignment between the executive and non-executive arms of the Council.

50. Organisational Development Programme: There was a shared view that the ODP remained a critical and appropriate vehicle for addressing a range of challenges, such as the marked deterioration the Council's financial position, demand-led pressures on services, and the inadequate performance of some statutory services. However, the Forum emphasised the need for an absolute focus on accelerating the pace of change, cautioning also that major delivery components such as the CRM model, were enablers of savings and did not necessarily deliver savings directly.

Previous Scrutiny

51. The Committee considered the **Quarter 4 2014-15** Performance Report at its 12 May 2015 Meeting, following which Members were encouraged that the Council was on target to secure the £3.3m Welsh Government Outcome Agreement Grant, and that ESTYN considered there was evidence of improvement.

52. The Committee also highlighted a number of concerns to the Cabinet as follows:

- a. That the Council had appointed an advisor within the Education and Lifelong Learning service area to address areas identified for improvement by Estyn. Members requested clarification of the cost implications and selection process put in place for the appointment of the advisor. Members felt that other service areas in the Council, such as Health and Social Care, were equally deserving of expert specialist assistance. The Committee therefore expressed an interest in having sight of the recommendations the Council received from such specialist advisors, and felt there was an opportunity for a value analysis / evaluation of the work they delivered.
- b. Members reiterated importance of service managers taking full responsibility for delivering effective services, and where appropriate being paid by results.
- c. Members noted that sickness absence was still a significant concern for the Council. They accepted that there was a great deal of work ongoing to hit

sickness targets and that the current level of performance had not been easily achieved, however Members considered there were still several service areas with challenging levels of sickness absence. The Committee was pleased to hear of plans for those service areas to receive direct Human Resources intervention working alongside them in tackling attendance management.

- d. Members drew attention to Council performance in respect of the backlog of properties for let. And whilst understanding that the Council has had problems with contractors, and is now dealing with properties which by their nature are increasingly difficult to let, agreed that in future it may be worthwhile inviting service specific representatives when the Committee considers Performance.
- e. Members were concerned that despite maintaining resources into schools the Council is still not making the progress it should in Education. They particularly highlighted that work was required to support school governors in their role.
- f. Members welcome the Chief Executive's commitment to circulating the minutes of the Challenge Forum and look forward to this happening.
- g. Members remained interested in agency spend, and would like to look in more detail at this, particularly the rationale for using agency staff and value for money.
- h. Members felt there was scope to further upgrade the Council's website particularly around mobile communications and smartphone technology.
- i. With regard to PPDRs, Members noted that the Council's emphasis had shifted from maximising the number of PPDR's to ensuring the quality of the process. They concurred that setting training objectives was an important part of the PPDR, and recognised the challenge funding such training presents.

- j. Overall Members felt that in some areas progress was not good enough and that there was a need to revisit how we scrutinise the Council's Performance. The Committee feel it would be useful to factor the performance concerns raised by other scrutiny committees into their own consideration of Performance.

53. In support of 2j, Members may wish to note the following concerns raised by the other four scrutiny committees following Q4 performance.

54. In his response dated 18 June 2015, Councillor Bale (Leader), who had attended Committee on behalf of Councillor Hinchey (Cabinet Member –Corporate Services and Performance), responded to the Committee's concerns stating:

- The Education Advisory role had been commissioned by the Central South Consortium, and was one of a number of elements of school improvement support specific to Cardiff local authority. It was funded from within the existing agreement between the Council and the Consortium. Mr Hill was selected on recommendation from the Welsh Government because of his strong expertise in school improvement, and his knowledge of the policy context in Wales.
- The Council had recently begun to include key recommendations from the Challenge Forum in the quarterly performance report. To assist further this will be most effectively facilitated through engagement with the individual scrutiny committees dealing with those services, and officers will ensure that an appropriate vehicle for this exchange is established.
- He considered it beneficial that the Committee invites service representatives to PRAP performance scrutiny provided there was no duplication of effort, and suggested the Scrutiny Manager and Chief Officer Change & Improvement discuss how best to implement with the Chairs' Liaison Forum.

- Agreed arrangements would be put in place to ensure that the notes of Challenge Forum meetings were circulated.

Way Forward

55. Councillor Graham Hinchey, Cabinet Member (Corporate Services and Performance) has been invited to attend for this item. The Chief Executive, Paul Orders; Christine Salter (Corporate Director Resources); and Martin Hamilton (Chief Officer Change & Improvement) have also been invited to present the report and answer any questions Members may have.

Legal Implications

56. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

57. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision

that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

Committee is recommended to:

- Note the contents of the report attached at **Appendix A**;
- Consider whether it wishes to make any comments to the Cabinet to take into consideration when it receives the Performance report.

Martin Hamilton
Chief Officer – Change & Improvement
28 August 2015