

## **Budget Scrutiny Letters Index**

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My Ref: Scrutiny/Correspondence/Cllr McGarry

16 February 2016

Councillor Phil Bale  
Leader  
City of Cardiff Council  
County Hall  
Cardiff  
CF10 4UW



Dear Phil

### **Community & Adult Services Scrutiny Committee Meeting – 15<sup>th</sup> February 2016**

Thank you for attending the above committee. This letter captures the agreed comments and observations of the Committee with regard to the draft Corporate Plan 2016-18 and 2016-17 draft Budget Proposals. The structure of this letter reflects the structure of the meeting, commencing with general comments on the draft Corporate Plan, consultation and the overarching budgetary position before moving on to comments and observations for each portfolio, as determined by the terms of reference of this committee.

#### **Draft Corporate Plan 2016-18**

Members' note Councillor Hinchey's point that this year's Corporate Plan is not fundamentally different from last year's, which was seen by the Wales Audit Office as acceptable, and that it aims to focus on the Public Accountability Measures and National Strategic Indicators. Overall, Members feel that the draft Corporate Plan 2016-18 is a good document, with clear layout. However, there are some further refinements that Members recommend are made to improve the final Corporate Plan 2016-18, as follows:

- Make it clearer and more visible to those reading the Corporate Plan what it is that the Council is committed to achieving, in terms of our contributions to agreed overarching strategies such as What Matters. The draft Corporate Plan does not include all of our commitments in these areas. The example Members raised at the meeting was Human Trafficking, which was cited in last year's Corporate Plan but is not included in this draft Corporate Plan. Members heard that the Council does meet our What Matters commitment by contributing to tackling Human Trafficking. However, this is not visible to those reading the Corporate Plan; we believe it should be and therefore recommend that the final Corporate Plan 2016-18 includes tackling Human Trafficking. The same point may apply to other What Matters commitments and therefore Members recommend that these commitments are matched with the

commitments in the draft Corporate Plan and any gaps remedied in the final Corporate Plan 2016-18;

- Ensure that the ambitions of the administration are fully reflected in the Corporate Plan by using the opening statements to capture this as well as the commitments and the measures. The area discussed at the meeting concerned the ambition with regard to improving adult social services and integrating with health and housing and ensuring the wording in Priority 2 does justice to this;
- Improve the 'Measuring Progress' sections, as follows:
  - o Ensure there are measures stated for each of the commitments given, for example, in 2.1, there is no measure for the commitment 'work to make Cardiff a recognised Dementia Friendly City' or for the commitment 'implement a fully re-commissioned domestic violence service'.
  - o Ensure a baseline is available where possible so that readers understand the ambition and the proposed progress, for example, in 2.3, with regard to '% of care leavers' and the 'rate of Delayed Transfer of Care'
  - o Ensure that all the measures included in Appendix A are shown in the relevant sections in the main body of the report, for example 2.1 has 5 measures shown in the main body of the report and 7 shown in Appendix A, the same is true for section 2.2 whilst section 2.3 has 7 in the main body and 8 in Appendix A.
  - o Ensure that measures are appropriate to the commitments given, for example, for section 2.2, include measures that will capture the delivery of new affordable housing across all sources.

Members appreciate that effort has been made to keep each section to one page but do not feel that this design should hamper clarity in how progress will be measured.

### **Consultation Processes**

Members discussed three areas of consultation that have been used to inform the budgetary proposals: the overall 'Changes for Cardiff'; the Day Opportunities Strategy consultation; and the separate council housing rent increase proposal.

All three consultations have different methodologies underpinning them: Changes for Cardiff involved respondents self-selecting, the Day Opportunities Strategy involved contacting all service users whereas the council housing rent increase involved a random sample.

Members appreciate the reasons for the different methodologies; however, these different methodologies statistically lead to different confidence levels. This should be made clear when results are reported back and low confidence levels should

affect how results are used. Similarly, the weaknesses in the methodology used should be made clear to those who are going to use the consultation results to inform their decisions. Members could see no evidence of this in the papers provided to them, for example the Day Opportunities Consultation Report does not mention confidence levels.

With regard to Changes for Cardiff, Members feel that many of the questions are leading questions which mean that little weight should be given to the responses received. This point has been made in previous years; we hope that officers reflect on this and amend consultation accordingly.

### **Overarching budgetary position**

Members thank Councillor Hinchey, Christine Salter and Allan Evans for providing information on the overarching budgetary position. Members note that it is proposed to set the budget before the Final Settlement from Welsh Government is received with the caveat that reserves are available to meet any shortfall, as it is anticipated that any changes will be small scale given that much of the information used to calculate the Final Settlement was available when setting the provisional settlement.

Members note that new mechanisms have been used this year to help improve resilience and prepare for additional pressures. With regard to the Capital programme, Members note Christine's comments that there has been a 35% reduction overall since 2010/11 on monies from the Welsh Government re capital and that therefore the Council is having to find other sources of monies to fund the capital programme (and that as a result officers need to keep a close eye on borrowing and repayment levels).

Members note Christine's points re the overall budget savings, in that 34% are red/red-amber for residual risk, 40% are red/red-amber for achievability, 88% have detailed planning status and 9.5% have general planning status, and that therefore it is proposed to have a £4M corporate contingency fund.

Members also note the points made by Councillor Hinchey, Christine and several Directors that there has been a more robust process of challenging proposals this year, resulting in a more realistic set of proposals with far more having a detailed planning status than in previous years. Members welcome this but, on the evidence we heard during the meeting, are concerned that there is a variable standard of application of the Red/ Amber/Green ratings and planning status by Directors and Heads of Service.

## **Economic Development and Partnerships**

Members thank you and Sarah McGill for being available to answer questions on the budgetary proposals for this portfolio. With regards to the budgetary proposals for this portfolio, Members have the following points to make:

- **Savings Line 62** – Members note the assurances given that it is appropriate to charge costs to capital
- **Capital Programme, Line 12** - Members note your comments that the Neighbourhood Renewal scheme could be refreshed and updated; we would welcome this.
- **Capital Programme Line 37** - Members note the assurances given that it is appropriate for this to be an invest to save scheme.

## **Community Development, Co-operatives and Social Enterprise**

Members thank Councillor Bradbury and Neil Hanratty for being available to answer questions on the budgetary proposals for this portfolio.

With regards to the savings for this portfolio, Members have the following points to make:

- **Savings Line 76** – Members welcome and note the absolute commitment for the Council to continue to meet the costs of the existing level of taxi marshal service, (with the same number of staff covering the current number of hours on the current agreed days and events) if alternative sources of funding cannot be found. Members note that these alternative sources of funding potentially include the Business Improvement District, a Late Night Levy and sponsorship, all of which are being explored. Members are relieved to hear that the service will continue particularly as our on-going Inquiry into reducing crime and disorder in the Night Time Economy has heard repeatedly that the Taxi Marshals provide a much-needed service, critical to maintaining a safe environment. Members were relieved to hear that Line 19 in the table of Employee Indications of Budget is a mistake and that 4 Full Time Equivalent posts relating to Taxi Marshals will not be deleted. Members recommend that this line be taken out of the proposals brought to Full Council for decision on 25<sup>th</sup> February 2016, given that it is too late to remove it from Cabinet Papers due to be considered later this week.
- **Savings Line 77** – Members were relieved to hear that the income raised from charging for the use of sites in Cardiff will not result in additional obstructions on pedestrianised areas, which could have resulted in difficulties for some people with disabilities; rather existing sites will be used more often.

## **Health, Housing and Wellbeing**

Members thank Councillor Elsmore, Sarah McGill, Tony Young, Amanda Phillips and Jane Thomas for attending to answer questions on the budgetary proposals for this portfolio. With regards to the budgetary proposals for this portfolio, Members have the following points to make:

### **Overall**

Members wish to acknowledge the hard work undertaken throughout 2015/16 across this Portfolio and the improvements that have been made in financial management and business processes. Members thank all those involved in this process, including the Adult Social Services base budget build exercise and the remodelling of preventative services, with these moving to the Communities, Housing and Customer Services Directorate. Both of these should stand Adult Social Services in good stead going forward, reducing demand pressures and ensuring sufficient resources are in place. This is good news for the vulnerable citizens who rely on these services and this Committee applauds the hard work that goes on behind the scenes to deliver these improvements.

Members note and welcome that an additional £3.5 million has been allocated to Social Services to reflect the very real costs facing Social Services, in terms of demographic pressures, fee increases and the Social Services and Well Being (Wales) Act changes, as well as writing off savings from 2014/15 and 2015/16 which are deemed unachievable.

Members note that there are still savings from 2014/15 and 2015/16 that Adult Social Services are required to deliver; Members request a list of these and the amounts required to be delivered in order that the Committee can carry out effective budget monitoring in 2016/17.

### **Savings**

- **Line 61** – Members note that the savings come from introducing mobile working and scheduling and a consequent reduction in supervisor posts. Given the importance of reablement to improve service users' quality of life and reduce demand for other social services, Members seek assurance that capacity within reablement is sufficient to meet demand and that it is prudent to take this saving rather than re-invest the saving into the service.
- **Line 139** – With regard to the £1 million saving contained in this line, Members heard that it is comprised of a rolling list of approximately 30 specific commissioned services, which cannot be put into the public domain due to commercial sensitivity. Given this, the Committee has not been able to scrutinise this significant saving, in terms of its alignment with the Corporate Plan, the impact on service users, carers and citizens or its achievability and deliverability. On the latter point, Members note that it is the only savings line in front of them that has Red ratings for all three categories of risk. Members

wish to receive the rolling list and ask that this be shared with them in confidence as bound by the Constitution and Members Code of Conduct.

- **Line 142** – Members note Councillor Elsmore's comments that there is a mature relationship with Health colleagues which is enabling good conversations to take place about where costs appropriately sit, which is happening without damaging effective working.
- **Line 145** – Members note that the existing contract will expire in January 2017 and the £200,000 saving should flow from the 3 months thereafter. Members also note the comments that the Local Safeguarding Adults Board wishes to raise awareness of the risks of financial abuse and that work on this area should happen this year.
- **Line 151** – Members recognise the work undertaken by the first point of contact but are concerned that £250,000 may be too high a figure to achieve going forward. Members therefore seek assurance that this saving is achievable.
- Overall, Members note Tony Young's comments that the process to develop this year's savings has been robust but there are still challenges in delivering the savings, given that pressures on Social Services are hard to predict.

### **Financial Pressures**

Members note the monies allocated to deal with financial pressures arising from the Social Services and Well Being (Wales) Act and Families with no recourse to Public Funds. At the meeting, Members raised the need to also think about the financial pressures that would fall on the Council should a domiciliary care provider withdraw from Cardiff. Members note that Councillor Elsmore is meeting the Minister shortly and will raise the resilience of the domiciliary care market with them.

### **Capital Programme**

Members note that there is an additional £4.2 million for disabled adaptations, using different capital sums, with some ring-fenced for council tenants as the monies come from council housing rents and some available to all housing tenures. Members note that, eventually, this will lead to improvements in the time taken to deliver disabled adaptations, once the peak caused by a backlog of cases combined with an increase in new cases is dealt with. Members were pleased to hear officers state that the quality of the disabled adaptation was important, not just the quantity or speed, and were pleased to hear that there are staff who pre and post inspect works.

Members note that there are additional monies allocated in the Housing Revenue Account to purchase suitable assets that can be used to provide affordable housing; given the high housing need in Cardiff, Members welcome this.

Members note the proposed rent increase of 1.4% plus £2 per week, in line with the Welsh Government guidelines.

## **Day Opportunities**

Members note that the savings in relation to this, **Line 141**, relates to employee cost savings resulting from the closure of Gabalfa Day Centre. Members also note that the proposed savings coming from no longer using Oldwell Court were to have been re-invested in providing the Day Opportunities Team. Following the Notice of Motion to Council in January 2016, the savings from Oldwell Court will be phased, perhaps over a significant period of time. Members seek clarification of the impact of this on the Day Opportunities Team, which were to have provided support to people with lower levels of dementia.

Members note that the demand modelling which has taken place is as rigorous as possible but that, if more people need services than is predicted, the Council will have to find alternative provision, as the statutory duty on the Council is to meet assessed need.

Members also note that further work is proposed with Health, which may include accommodation options for people with dementia. Members are interested to learn more on this and asked to be kept informed.

## **Supporting People**

Members note that the budget for 2016/17 remains unchanged from 2015/16 at £16.2 Million but that there has been some realignment to better reflect the need to provide preventative services, particularly for Older People, such as Community Alarm, as well as to provide more 24hour supported living for younger people, which was a Corporate Plan commitment last year.

Members note that further work is underway with regard to floating support for Older People with a view to new arrangements being in place by April 2017; Members wish to be kept informed of this work.

Members sought assurance that it is acceptable to set a Spend Plan without agreeing the Local Commissioning Plan, a situation that has come about as a consequence of the delay in Welsh Government settlement caused by the timing of the Spending Review by UK Government. Members were pleased to hear that there would still be scope to influence the detail of some elements in the Local Commissioning Plan, such as Older People floating support, albeit that some of the elements such as Community Alarm will have been set.



## Skills, Safety, Engagement and Democracy

Members thank Councillor De'Ath, Dave Holland and Joseph Reay for being available to answer questions on the budgetary proposals for this portfolio. With regards to the budgetary proposals for this portfolio, Members have the following points to make:

- **Savings Line 42** – Members note that, whilst there is confidence that the savings will be achieved, the risk analysis ratings remain as Red/ Amber as 30% of the saving is predicated on raising additional income and this may be more difficult to achieve in South Wales than has been the case in parts of England that have followed a similar approach to Regulatory Services.
- **Savings Line 133** – Members note that the £10,000 savings in relation to mobile CCTV will remove cameras that are not working and replace them with 3 new cameras that will provide a better service. Members recommend that the narrative in the savings line be updated to make this clear. With regards to the £25,000 saving from removing funding for Operation Mistletoe, Members note there is not time to put a Late Night Levy in place by Christmas 2016. Members note Councillor De'Ath's comments that he is confident that the proposed Business Improvement District (BID) will include Operation Mistletoe in its business case. However, Members are concerned that the Council should not rely on this when making a decision on this saving, as the BID is voted on by the businesses and the Council cannot insist on inclusion of specific projects in the BID. Therefore, Members recommend that thought be given to an alternative strategy to secure Council funding for Operation Mistletoe in case alternative funding is not available.

Members wish to make a wider point in relation to the Council's legal responsibilities with regard to tackling crime and disorder. As the Committee responsible for scrutinising community safety and crime and disorder partnership work, Members wish to draw attention to the Council's responsibility to mainstream and embed community safety within all Council services as a legal obligation under Section 17 of the Crime and Disorder Act 1998. A previous Community & Adult Services Scrutiny Committee carried out an Inquiry into precisely this, in November 2007<sup>1</sup>. Their first Key Finding states:

*'The Crime and Disorder Act 1998 (CDA) is guided by the rationale that levels of crime cannot be impacted upon by the Police working alone but that the socio-economic and environmental causes of crime need to be tackled by a wide range of agencies working together. Section 17 of the Act places a legal duty on these agencies to take account, during the exercise of their various functions, of the potential impact for community safety. It states that, 'Without prejudice to any other obligation imposed on it, it shall be the duty of each authority to which this*

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<sup>1</sup> 'Community Safety – An Assessment of the Existing Structure within Cardiff Council for the Delivery of Crime and Disorder Reduction Activity' – November 2007

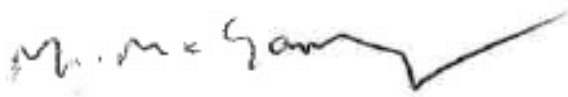
*section applies, to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all it reasonably can to prevent, crime and disorder in its area.’ Section 17 seeks to ensure that the strategies, plans and budgets of these agencies are considered from the standpoint of their potential contribution to the reduction of crime and disorder. As a statutory duty, failure to consider crime and disorder in the exercise of its functions can leave a local authority open to legal challenge if it has not done all it ‘reasonably’ can. The Courts will look for evidence that the authority has a coherent plan for complying with Section 17 and that this plan is being implemented<sup>2</sup>.*

This legislation still stands albeit that awareness of it amongst officers seems low. Members therefore recommend that senior officers be made aware of the above, in order that proposals being developed by officers properly reflect the requirement on the Council to promote Community Safety.

Once again, thank you to you and all the witnesses for your attendance and contributions; they are much appreciated. Members trust that our recommendations, comments and observations above are of help when finalising the Corporate Plan and Budgetary Proposals. To this end, please present this letter to Cabinet before the Corporate Plan 2016-18 and Budgetary Proposals 2016/17 are finalised.

This letter contains recommendations and requests for further information and so requires a response:

Yours sincerely,



**COUNTY COUNCILLOR MARY McGARRY**  
**Chairperson - Community & Adult Services Scrutiny Committee**

Cc: Councillor Hinchey	Christine Salter	Allan Evans
Edward Janes	Councillor Bradbury	Neil Hanratty
Councillor Elsmore	Sarah McGill	Tony Young
	Jane Thomas	Amanda Phillips
Councillor De’Ath	Dave Holland	Joseph Reay
Matt Swindell	Alison Taylor	Cheryl Cornelius
Claire Deguara	Rita Rohman	Clair Jones
Liz Patterson	Paula Angel	

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<sup>2 2</sup> Home Office (11/00): Briefing Note - Anticipating the Impact of Section 17 of the 1998 Crime and Disorder Act

My Ref: Scrutiny/CYP/MJH

Date: 16 February 2016



Councillor Graham Hinchey  
Cabinet Member for Corporate Services and Performance  
City of Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

Dear Graham

**CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE - Corporate Plan and Draft Cabinet Budget proposals**

Thank you for attending the Children and Young People Scrutiny Committee on 16 February 2016. The Committee would also like me to thank Councillor Lent, Councillor Merry, Councillor Bradbury, Christine Salter and relevant Directors and Officers for their attendance. The Committee welcomed the presentations on the Corporate Plan, Cabinet draft Budget proposals overview and the departmental budget proposals for each directorate. The Committee considered the information presented together with answers to members questions and agreed to provide you and the Cabinet Members with the following comments, concerns and recommendations

In respect of the Budget Consultation exercise undertaken during December, the Committee acknowledges that Cabinet is increasing the scope of the consultation but recommends caution on the weight given to such a small sample of responses, acquired from certain demographic areas and minority groups. For example respondents from the east of the city are low and the numbers of responses from young people are proportionately low given the number living in the city. The Committee recommends that in future the Cabinet improves its consultation of the budget proposals by attending existing community groups, such as luncheon groups, youth groups, family centres and minority ethnic groups.. The Committee was also concerned that the questionnaire had a number of leading questions and Members suggested that future budget consultation questionnaires should be validated by an external market research company.

The Committee also questioned the achievability of many of the savings proposals, particularly those that were identified as RED or RED/AMBER. The Members highlighted the need for robust and detailed action plans with key milestones to be in place as part of each savings action plan. The Committee will be monitoring the action plans as part of the Committee's budget monitoring panels function.

The Committee also wished to highlight the following points:

- Members expressed particular concern around the achievability of lines 84, 85 and 86 of the savings proposals (Education – reduction of the costs of placements, Looked After Children placed out of County and the number of new placements), as these are dependent on partnership working. Members therefore requested details of the partnership action plans to be made available to the Committee as soon as possible.
- Members wished to seek assurance, that in respect of savings proposals – line 88, the different delivery model for tuition for children who are not educated in school, would not have a detrimental outcome for the pupils receiving the service.
- Given the present budget pressures, Members expressed surprise that there was no intention, at the present time, to have a debate around the provision of school transport for Faith and Welsh schools.

Finally following consideration of the new model for Children's Play, the Committee recommended an alternative way forward as follows: the proposed reduction in service would be better provided, from each of the current Play Centres, rather than spreading the service around several different buildings in each community, until the Community Asset Transfers have each been completed. This would ensure continuity of provision and be less confusing for children and parents..

I will be copying this letter to all the relevant Cabinet Members and Directors as well as the Chair of Policy Review and Performance Scrutiny Committee in advance of its meeting on Wednesday 17 February and it is possible that these points will be raised with you in greater detail at that meeting.

We hope that these comments will have been of assistance to you and the Cabinet in agreeing the Budget proposals on Thursday 18 February and look forward to a positive response to the points raised in the letter, from you and the other cabinet Members, within the next month.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Richard Cook', with a long horizontal flourish underneath.

**COUNTY COUNCILLOR RICHARD COOK**  
**Chair – Children and Young People Scrutiny Committee**

Cc

Councillor Lent, Deputy Leader and Cabinet Member for Early Years, Children and Families

Councillor Merry, Cabinet Member for Education

Councillor Bradbury, Cabinet Member for Community Development, Co-operatives, & Social enterprise.

Christine Salter, Section 151 Officer

Tony Young, Director of Social Services

Nick Batchelar, Director of Education and Lifelong learning

Andrew Gregory, Director of City Operations

Chair of Policy Review and Performance Scrutiny Committee

Rita Rohman

Cheryl Cornelius

Fy Nghyf / My Ref: NRS/CW/PBr/15.02.16

Dyddiad / Date: 17 February 2016



Councillor Peter Bradbury  
Cabinet Member: Community Development, Co-operatives & Social Enterprise  
City of Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

Dear Councillor Bradbury

## **ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 FEBRUARY 2016**

### **Draft Corporate Plan 2016 – 2018 and Budget Proposals 2016/17 Community Development, Co-operatives & Social Enterprise Portfolio**

Thank you for attending Committee to present your Portfolio's draft Corporate Plan and Budget proposals that fall within this Committee's terms of reference. I will be grateful if you could also pass on the thanks of Committee to Sarah McGill, Neil Hanratty and Andrew Gregory for their presentations and for addressing the questions raised during the meeting.

This letter contains the recommendations, observations and requests for information agreed by Members which we hope will be of assistance to you in shaping the final budget recommendations that you will be making for your Portfolio on 18 February 2016. This letter has been split into three sections as your Cabinet Portfolio contains services within the Economic Development, Communities, Housing and Customer Services, and City Operations Directorates.

### **Economic Development Directorate**

Following the release of the Budget Proposals 2016/17 – for Consultation in December 2015 it became apparent that the proposed cuts to various arts and cultural schemes supported by the Council would be subject to significant public and media interest. We are pleased to see that the majority of these proposals have been removed from the Budget Proposals 2016/17 published on 12 February 2016, and wish to commend you on the manner in which these proposals have been handled – there was potential for these proposals to overshadow the 2016/17 budget setting and to damage the reputation of Cardiff, and we are pleased that the favourable settlement from the Welsh Government has allowed this situation to be averted.

As mentioned in our letter following the January Committee meeting, we welcome your commitment to hearing first-hand the views of stakeholders and groups affected by the proposed savings from arts and culture, and we are pleased that the Cabinet has demonstrated it has listened to the public views expressed in the consultation responses and local media reporting.

The Members of the Committee welcomed the clarifications you gave with regard to the £430,000 saving to be achieved through a review delivery in Arts Venues (namely St David's Hall and the New Theatre). We were pleased to be informed that the future of these venues and the Arts Active programme are not under threat, but rather are subject to an ongoing procurement exercise to secure alternative management arrangements. At the meeting we were informed that these venues current receive a subsidy in the region of £2million, and the savings identified here are a conservative estimate of the anticipated reduction in this subsidy.

This Committee is conscious that the cultural offer of this city is vitally important in terms of its 'liveability', contributing to top businesses, visitors and students choosing the Cardiff as their destination of choice and contributing to the wellbeing and quality of life for residents and visitors. We are pleased that this has been recognised by the Cabinet in removing the proposed savings in question. Through the process of the Budget consultation over the past few months it has become clear to the Committee that there is a vast, active and passionate arts community within Cardiff. We hope that the conversations initiated as part of the consultation can be built upon, establishing genuine relationships between the Council and arts community in the city.

A point we touched upon in our letter following the January meeting, which we wish to reiterate, is the recognition that there are potential crossovers where benefits can be delivered through art other areas of the council, such as within social services, education and city regeneration. We wish to recommend that this is an area for discussion to be included on the agenda of the next Cultural Conversation meeting – identifying services delivered by the Council that could benefit from the expertise and creativity found in the arts community. I am conscious that the Leader, Cllr Bale has a leading role in the Cultural Conversation, and have requested that he receive a copy of this letter.

### **City Operations Directorate**

On the whole, the Committee is content with the City Operations Directorate savings proposals from your portfolio put forward within the Budget Proposals 2016/17, and the aspirations set out within the Corporate Plan. We do however wish to make a few comments with regard to the Alternative Delivery for Leisure procurement exercise. You will be aware that this Committee has been following this procurement exercise for some time, receiving updates with our consideration of quarterly performance and having undertaken prior task and finish inquiry work. We accept that delays have

been experienced as a result of legally binding rules and regulations, culminating in the savings identified for 2015/16 not being achieved, but we feel strongly that this cannot be repeated in 2016/17. With £850,000 savings identified from this procurement exercise, the Council cannot afford for such a substantial amount not being delivered in the upcoming financial year.

During the meeting Members questioned the Leisure Centres Invest to Save Bid listed within the Capital Programme. We were informed that £4million will be allocated over the next three years to undertake priority works on the Councils leisure centre buildings, with repayment being achieved through increased footfall at the facilities. Members of the Committee are left questioning the logic behind substantial investment in facilities that may soon be operated by alternative service providers, and question the fact that this has been accepted as an Invest to Save scheme as opposed an alternative form of Capital scheme. We do however recognise that these facilities remain assets of the Council regardless of the outcome of the procurement exercise and accept that Council financing of these improvements will remove an element of risk that may discourage bidders.

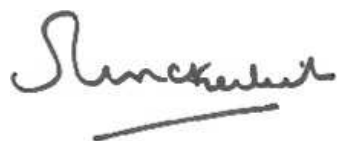
Members wish to note that during the meeting we were informed that there will be no closures of leisure centres in Cardiff and that no play centre will be closed until an alternative facility is confirmed, subject to ward member agreement.

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

Members wish to note their satisfaction in the manner in which the Hub Strategy has been delivered over recent years, and welcome the continued rollout of this approach within the 2016/17 budget. We recognise that a clear strategy and vision for Community Hubs was developed and driven through over recent years. While we recognise there are differences between this process and the procurement exercises being undertaken for leisure and arts venues, we question whether the Alternative Delivery Model projects have been overly cautious, or lacked the strategic vision at the outset that is clearly evident through the delivery of the Hubs Strategy.

I would be grateful if you would consider the above comments, observations and recommendations, and look forward to receiving your feedback.

Regards,



**Councillor Rod McKerlich**  
**Chairperson, Economy and Culture Scrutiny Committee**



cc Sarah McGill – Director, Communities, Housing and Customer Services  
Neil Hanratty – Director, Economic Development  
Andrew Gregory – Director, City Operations  
Christine Salter – Section 151 Officer  
Leader, Cllr Phil Bale  
Cabinet Support Office  
Members of the Economy and Culture Scrutiny Committee  
Cllr Nigel Howells, Chair of Policy Review and Performance Scrutiny  
Committee

Fy Nghyf / My Ref: NRS/CW/BD/15.02.16

Dyddiad / Date: 17 February 2016

Councillor Bob Derbyshire  
Cabinet Member for the Environment  
City of Cardiff Council  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW



Dear Councillor Derbyshire

## **ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 FEBRUARY 2016**

### **Draft Corporate Plan 2016 – 2018 and Budget Proposals 2016/17 Environment Portfolio**

Thank you for attending Committee to present your Portfolio's draft Corporate Plan and Budget proposals that fall within this Committee's terms of reference. I will be grateful if you could also pass on the thanks of Committee to Andrew Gregory for his presentation and for addressing the questions raised during the meeting. This letter contains observations and requests for information agreed by Members at the end of the meeting.

On the whole, the Committee is content with the savings proposals from your portfolio put forward within the Budget Proposals 2016/17, and the aspirations set out within the Corporate Plan, that fall under this Committee terms of reference. We do however wish to mention our slight reservations with regard to the £450,000 saving to be achieved through the reshaping of grounds maintenance services. This is something we intend to monitor over the coming year, as we anticipate there could be discontent from the public when it becomes more apparent which areas of the city are going to be subject to reduced frequency of grass cutting. We also anticipate that additional burdens will be placed on Community Councils to undertake additional grounds maintenance and hope that there are plans for Council rules and regulations to be relaxed to assist in this respect.

Members wish to note that during the meeting we were informed that there are no planned changes to the provision of parks pitches for outdoor sports, despite the proposals to reshape grounds maintenance services and to reduce the subsidy to outdoor sports.

I would be grateful if you would consider the above comments, and look forward to receiving your feedback.

Regards,

A handwritten signature in black ink, appearing to read 'Rod McKerlich', with a horizontal line underneath it.

**Councillor Rod McKerlich**  
**Chairperson, Economy and Culture Scrutiny Committee**

cc Andrew Gregory, Director: City Operations  
Christine Salter – Section 151 Officer  
Cabinet Support Office  
Members of the Economy and Culture Scrutiny Committee.  
Cllr Nigel Howells, Chair of Policy Review and Performance Scrutiny  
Committee

Fy Nghyf / My Ref: NRS/CW/GH/15.02.16

Dyddiad / Date: 17 February 2016

Councillor Graham Hinchey  
Cabinet Member: Corporate Services and Performance  
City of Cardiff Council  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW.



Dear Councillor Hinchey

## **ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 FEBRUARY 2016**

### **Draft Corporate Plan 2016 – 2018 and Budget Proposals 2016/17**

Thank you for attending Committee to present us with an overview of the Draft Corporate Plan 2016 – 2018 and Budget proposals 2016/17. I will be grateful if you could also pass on the thanks of Committee to Christine Salter, Ian Allwood and Edward Janes who attended the meeting and provided clarification on all our questions.

The Committee had a few observations following the meeting, mainly with regard to the *Changes for Cardiff* consultation, which are outlined below. Discussions also took place around the level of capital borrowing the Council is undertaking, the confidence in the achievability of savings and the timing of the initial budgetary proposals in December 2015. Members welcomed the answers provided during the meeting and do not wish to follow up on these points any further.

With regard to the *Changes for Cardiff* consultation, we wish to note our congratulations on to the level of response received, which we were informed was one of the highest of comparable consultations undertaken by local authorities across the UK. We do however note that the total number of responses is approximately 800 fewer than was received for the 2015/16 consultation.

Members of the Committee are concerned with the relatively low levels of participation seen in the Cardiff East and City and Cardiff South Neighbourhood Areas, particularly when compared to the level of response received from Cardiff North. We fear these disparities could skew the results toward the preferences of individuals from a higher socio economic background, and not accurately reflect the whole demographic of Cardiff. We appreciate that efforts are being made to increase participation in the Southern Arc of the city, but wish to recommend that a weighting mechanism is introduced in future years, in an attempt to make the results more

representative of the people of Cardiff. We fear that currently the views of individuals in the Southern Arc of the city are underrepresented.

Members appreciate that there is a fine balance to be struck in relation to the length of the consultation and the wording used within the questions. If overly long and complicated, response rates will fall, but if overly simplistic the validity of the questions and results can be diluted. We feel that some of the wording within this years consultation document is quite vague, calling into question the usefulness of the results. For example, question 3 of the consultation document asked people whether they would support the Council charging more for some services – however there is no indication in the scale of the price increase, and no doubt there would be very different results to varied levels of price increase, or indeed for each different service that may be subject to price increases. This is one of a number of examples we could cite, and recommend that future budget consultation questionnaires are robustly validated by an outside organisation.

The Committee requests clarification on the process used in developing the consultation document, and more specifically the terminology used within it. Some Members of the Committee participated in consultation events and found themselves explaining the meaning of the 'jargon' used in order for members of the public to complete the survey. We question the process used for proof reading the consultation document and recommend that in future years a sample group of the public, or external organisation, is asked to assist in proofing the document, ensuring the document is accessible and not filled with needless technical terminology,

The Committee will write separately to each Cabinet Member whose portfolio falls under the terms of reference of the Economy and Culture Scrutiny Committee, highlighting the budgetary and operations issues that were discussed during the meeting. We include for your information in this letter the points made in relation to budgetary issues, given your overarching role on the Budget and Corporate Plan.

Members of the Committee are pleased to note that a number of proposals in relation to Arts and Culture in Cardiff have been removed from the budget proposals to be taken to Cabinet on Thursday 18 February. We see this as a clear signal that the Cabinet has listened to the feedback received in the consultation process, to the points raised following our January Committee meeting and to the petitions that have been prevalent in the local media. We welcome this responsiveness from Cllr Bradbury, Cabinet Member: Community Development, Co-operatives & Social Enterprise, and are pleased that the favourable settlement from the Welsh Government has been used to respond to public opinion.

The Committee questions the inclusion of a £4million Invest to Save Bid for Leisure Centres within the Capital Programme. While we recognise the need for priority works to be undertaken at some facilities, we question whether increased footfall and

increased income as a result of this work is the basis of a genuine Invest to Save scheme.

The Committee is conscious that substantial savings are proposed through securing alternative delivery models (ADM) for services. In the case of this committee we are concerned with the ADM for Leisure Centres and the ADM for Arts and Cultural Venues – procurement exercises that were identified and accepted within the 2015/16 Budget. However we are aware that there has been a failure to deliver the identified level of savings in 2015/16, and we wish to stress the importance of these savings being delivered in 2016/17.

I would be grateful if you would consider the above comments, observations and recommendations, and look forward to receiving your feedback.

Regards,

A handwritten signature in black ink, appearing to read 'Rod McKerlich', with a horizontal line underneath it.

**Councillor Rod McKerlich**  
**Chairperson, Economy and Culture Scrutiny Committee**

cc Christine Salter – Section 151 Officer  
Cabinet Office  
Members of the Economy and Culture Scrutiny Committee  
Cllr Nigel Howells, Chair of Policy Review and Performance Scrutiny  
Committee

Ref: RDB/PM/BD/16.02.16

16<sup>th</sup> February 2016

Councillor Bob Derbyshire,  
Cabinet Member for the Environment,  
County Hall,  
Atlantic Wharf,  
Cardiff,  
CF10 4UW.



Dear Councillor Derbyshire,

**Environmental Scrutiny Committee – 16<sup>th</sup> February 2016**

On behalf of the Environmental Scrutiny Committee I would like to thank you and the officers for attending the Committee meeting on Tuesday 16<sup>th</sup> February 2016. As you are aware the meeting considered the 'Draft Corporate Plan 2016 – 2018 & 2016/17 Draft Budget Proposals'. In reviewing these proposals the Committee used the following documents to set the context of the discussion:

- Draft Corporate Plan 2016-18;
- Post Consultation Changes – Includes a total summary of the post consultation changes (£14.095 million), a schedule of amended 2016/17 savings proposals, post consultation changes – financial resilience mechanisms & additional pressures;
- 2016/17 Proposals Overview – Includes an overview of the 2016/17 savings proposals, Council wide budget savings proposals 2016/17, Addressable Spend – budget savings proposals 2016/17;
- City Operations Directorate - Draft Budget Savings Proposals;
- City Operations Directorate – Financial Pressures;
- City Operations Directorate – Capital Programme;
- City Operations Directorate – Employee Implications;
- City Operations Directorate – Controllable Budget Analysis;
- 'Changes for Cardiff – Consultation Results & Feedback Report on the City of Cardiff Council's 2016/17 Budget Proposals – Executive Summary' & relevant sections from the report;
- City Operations Directorate – Equality Impact Assessments.

This letter contains the recommendations, observations and requests for information agreed by the Members present during the Way Forward discussion conducted at the end of the meeting, which we hope will be of assistance to you in shaping the final budget recommendations. The proposals that are allocated against the City Operations Directorate and which fall within the scope of your portfolio are listed below:

### **Savings Line 13 – City Operations – New Operating Model**

- Members considered the £1.052 million savings allocated against the ‘New Operating Model for City Operations’. They understand that much of this saving is set against the delivery of the Alternative Delivery Model (ADM) for Infrastructure Services which was due to be jointly scrutinised by the Environmental Scrutiny Committee and the Policy Review & Performance Scrutiny at a meeting on the 1<sup>st</sup> March 2016. This is no longer the case and it is now anticipated that the Full Business Case (FBC) for the Alternative Delivery Model for Infrastructure Services will not be received until the 12<sup>th</sup> May 2016. The Committee looks forward to scrutinising this item following the progress briefing that they will receive for the Alternative Delivery Model for Infrastructure Services on the 15<sup>th</sup> March 2016.

### **Savings Line 37 – City Operations – Litter Enforcement – Increase enforcement powers to reduce Environmental Crime (Full Year Effect)**

- At the November 10<sup>th</sup> Environmental Scrutiny Committee meeting Members received an item titled ‘Litter Management & Enforcement in Cardiff’. This item included consideration of a draft Cabinet report titled ‘City Operations – Broadening Enforcement Powers to Improve the Public Realm’ which was later received by the Cabinet at its meeting on the 12<sup>th</sup> November 2015. The report referenced a series of proposed activities, some of which will be implemented in April 2016. Members accepted that these new enforcement activities will take some time to make an impact and wished to include an update report on the Environmental Scrutiny Committee Work Programme 2016/17 for the autumn.



- A Member asked for a detailed breakdown of income generated by the Council for all types of littering fines in 2015/16. I would be grateful if you could provide the Committee with this information.

### **Recycle & Reuse Facilities**

- I would appreciate it if you could provide the Committee with a progress update for introducing new recycle and reuse facilities to Household Waste Recycling Centres in Cardiff. The Committee agreed that such facilities would complete the recycling hierarchy and provide an excellent resource which would champion the recycling message and support community groups. During the Way Forward a Member suggested taking this initiative a step further and trialling a street-based reuse and recycle scheme in Cardiff. Such a scheme would involve organising residents who wish to leave unwanted items (which are still fit for reuse) outside for collection on a specific day of the week. These items would then be taken to a reuse and recycle facility where they could be rehomed. Brighton & Hove City Council was mentioned as a Council which took such an approach and members recommended some research in this regard.

### **Member Briefing Email – 12<sup>th</sup> February 2016**

- You issued an email on the 12<sup>th</sup> February 2016 which referenced the impact that recent Household Waste Recycling Centre changes had made, with particular reference to the reduction of materials now received in Bessemer Close Household Waste Recycling Centre. In particular the email stated that:
  - *In the first month the Bessemer Close HWRC has seen a 16% reduction in overall tonnages received, which supports the initial research that 17% of all users for that site were not from Cardiff.*
  - *The data also suggest we have deterred a lot of builders as the building waste figures have seen the biggest drop at 115% over all sites and specifically 262% at the Bessemer Close site.*

Members would be grateful if you could provide clarification on these statements and provide the Committee with details of the actual data as the latter percentages in the email appear to be missing decimal points.

## **Savings Line 42 – City Operations – Regulatory Collaboration**

- The Community & Adult Services Scrutiny Committee previously reviewed the Regulatory Collaboration savings of £310,000 at their budget scrutiny meeting on the 15<sup>th</sup> February. They concluded that:

*‘Savings Line 42 – Members note that, whilst there is confidence that the savings will be achieved, the risk analysis ratings remain as Red/ Amber as 30% of the saving is predicated on raising additional income and this may be more difficult to achieve in South Wales than has been the case in parts of England that have followed a similar approach to Regulatory Services’.*

The Environmental Scrutiny Committee would like to agree with the caution about achievability expressed in this comment.

I would be therefore grateful if you would consider the above comments and provide a response to the requests made in this letter.

Regards,



Councillor Paul Mitchell  
Chairperson Environmental Scrutiny Committee

Cc to:

Councillor Ramesh Patel,  
Cabinet Member for Transport, Planning & Sustainability  
Councillor Graham Hinchey,  
Cabinet Member – Corporate Services & Performance  
Andrew Gregory, Director for the City Operations Directorate  
Tara King, Assistant Director for the City Operations Directorate  
David Lowe, Waste Operations Manager  
Christine Salter, Corporate Director Resources  
Allan Evans, Operational Manager, Service Accountancy

Marie Rosenthal, Director for Governance & Legal Services

Paul Keeping, Operational Manager, Scrutiny Services

Claire Deguara, Cabinet Office Manager

Cheryl Cornelius, Cabinet Support Manager

Councillor Nigel Howells, Chair of the Policy Review & Performance Scrutiny  
Committee

Members of the Environmental Scrutiny Committee

Ref: RDB/PM/GH/16.02.16

16<sup>th</sup> February 2016

Councillor Graham Hinchey,  
Cabinet Member for Corporate Services & Performance,  
County Hall,  
Atlantic Wharf,  
Cardiff,  
CF10 4UW.



Dear Councillor Hinchey,

**Environmental Scrutiny Committee – 16<sup>th</sup> February 2016**

On behalf of the Environmental Scrutiny Committee I would like to thank you and the officers for attending the Committee meeting on Tuesday 16<sup>th</sup> February 2016. As you are aware the meeting considered the 'Draft Corporate Plan 2016 – 2018 & 2016/17 Draft Budget Proposals'. In reviewing these proposals the Committee used the following documents to set the context of the discussion:

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- City Operations Directorate - Draft Budget Savings Proposals;
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- City Operations Directorate – Employee Implications;
- City Operations Directorate – Controllable Budget Analysis;
- 'Changes for Cardiff – Consultation Results & Feedback Report on the City of Cardiff Council's 2016/17 Budget Proposals – Executive Summary' & relevant sections from the report;
- City Operations Directorate – Equality Impact Assessments.

This letter contains details of observations which were noted during discussion and agreed by Members during the Way Forward. The comments made below refer to the Corporate Overview which was provided by yourself and the Corporate Director Resources:

- Members noted and welcomed the progress achieved in reducing sickness levels in the City Operations Directorate and indeed across the Council as a whole. The Committee agreed that this would be beneficial in addressing the Council's difficult and ongoing financial position and will continue to monitor progress when reviewing the City Operations Directorate performance on a quarterly basis.
- Members noted that this complemented the work being done to reduce the money spent on agency staff and welcomed assurances that savings would not be made by simply reducing posts creating agency overspends later in the financial year.
- Members discussed the financial pressures that the increased costs for national insurance and complying with the living wage directives have created. In particular they welcomed the Council proposal to cover 100% of both of these costs in the schools' budgets. We appreciate that the Council cannot dictate to individual schools how they spend this increase on staff they have engaged via their delegated budgets; however, we share the Council's expectations that they will allocate the extra monies for the stated purpose.
- Members noted with concern that the Council's general and earmarked reserves are very low in comparison to the size of the Council's overall budget and when compared to other neighbouring authorities. We ask you to note our concerns and that both the Committee and particularly the Audit Committee should pay close attention to the level of these reserves in the coming financial year.

This letter does not require a response.

Regards,

A handwritten signature in black ink that reads "P. D. Mitchell". The signature is written in a cursive, slightly slanted style.

Councillor Paul Mitchell Chairperson Environmental Scrutiny Committee

Cc to:

Councillor Bob Derbyshire, Cabinet Member for the Environment

Councillor Ramesh Patel, Cabinet Member for Transport, Planning & Sustainability

Christine Salter, Corporate Director Resources

Allan Evans, Operational Manager, Service Accountancy

Andrew Gregory, Director for the City Operations Directorate

Tara King, Assistant Director for the City Operations Directorate

Marie Rosenthal, Director for Governance & Legal Services

Paul Keeping, Operational Manager, Scrutiny Services

Claire Deguara, Cabinet Office Manager

Cheryl Cornelius, Cabinet Support Manager

Councillor Nigel Howells, Chair of the Policy Review & Performance Scrutiny Committee

Members of the Environmental Scrutiny Committee

Ref: RDB/PM/RP/16.02.16

16<sup>th</sup> February 2016

Councillor Ramesh Patel,  
Cabinet Member for Transport, Planning & Sustainability,  
County Hall,  
Atlantic Wharf,  
Cardiff,  
CF10 4UW.



Dear Councillor Patel,

**Environmental Scrutiny Committee – 16<sup>th</sup> February 2016**

On behalf of the Environmental Scrutiny Committee I would like to thank you and the officers for attending the Committee meeting on Tuesday 16<sup>th</sup> February 2016. As you are aware the meeting considered the 'Draft Corporate Plan 2016 – 2018 & 2016/17 Draft Budget Proposals'. In reviewing these proposals the Committee used the following documents to set the context of the discussion:

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- 'Changes for Cardiff – Consultation Results & Feedback Report on the City of Cardiff Council's 2016/17 Budget Proposals – Executive Summary' & relevant sections from the report;

- City Operations Directorate – Equality Impact Assessments.

This letter contains the recommendations, observations and requests for information agreed by Members during the Way Forward at the end of the meeting, which we hope will be of assistance to you in considering and shaping the final budget recommendations. The proposals that are allocated against the City Operations Directorate and which fall within the scope of your portfolio are listed below:

### **Savings Line 15 - City Operations – Building Control – Improve Business Process Efficiency**

- Members were concerned about the £46,000 increase in income allocated against Building Control described as efficiencies. They feel that this is a service which struggles to meet current demand and that clearly needs additional funding. With this in mind I would be grateful if you could:
  - Consider reviewing the budget allocations to provide the service with some additional funding to help it meet the current demands;
  - Clarify how we currently deal with situations where building regulations are breached;
  - Confirm whether or not we issue fines against those who breach the regulations. If fines are not possible then can you outline what type action can be taken and how effective it is;
  - Confirm the total value of fines generated in past financial years for breaches of buildings regulations; how buildings regulations cases are managed by the courts and if / how we are able to recover Council costs, for example, the incurred legal and officer costs.

### **Financial Pressures – Line 3 – Supplementary Planning Guidance**

- Members welcomed the £75,000 of identified financial pressures support offered for the generation of updated Supplementary Planning Guidance (SPG) documents in the light of the recent LDP adoption. However, Members felt that this will only go a part of the way in addressing the Supplementary Planning Guidance requirements especially where public



consultation may be required. They were conscious that officer time and consultation for such work could be significant and, therefore, ask that a contingency be identified should this figure be exceeded – the Council could be open to a number of possible issues and legal challenges if the SPGs are incomplete or remain outdated.

### **Savings Line 19 – City Operations - Butetown Tunnel**

- A local Member explained that closing the Butetown Tunnel for maintenance at certain times of day caused significant traffic problems in the Butetown and Grangetown wards. You acknowledged and were sympathetic to the problem and agreed to look at what could be done to ensure that the tunnel is only closed for maintenance at off peak times to create the minimum possible transport congestion. I would be grateful if you could follow this up and provide the Committee with feedback on the whether the maintenance impacts can be reduced or not.

### **Savings Line 21 – City Operations – Increase Civil Parking Enforcement contribution to fund Transport / Environment improvements currently funded by base revenue budgets**

- Members noted the increase in income of £360,000 and an overall saving of £370,000 required against this budget line. They also welcomed your recent response to the letter following the 8<sup>th</sup> December 2015 which provided an income and expenditure summary of the Parking & Enforcement Account. The Committee will in the coming months review this response alongside the budget proposals and consider if further scrutiny on the matter is required.

### **Savings Line 37 – City Operations – Litter Enforcement – Increase enforcement powers to reduce Environmental Crime (Full Year Effect)**

- At the November 10<sup>th</sup> Environmental Scrutiny Committee meeting Members received an item titled ‘Litter Management & Enforcement in Cardiff’. This considered a draft Cabinet report titled ‘City Operations –

Broadening Enforcement Powers to Improve the Public Realm' which was later received by the Cabinet at its meeting on the 12<sup>th</sup> November 2015. The report referenced a series of proposed activities, some of which will be implemented in April 2016. With this in mind Members will look to include an update report on the Environmental Scrutiny Committee Work Programme for the autumn.

### **Financial Resilience Mechanism – Targeted Interventions for Potholes**

- Members welcome the additional £320,000 allocated for addressing potholes in 2016/17. They received assurances that such repairs are not simply 'pothole patches' and that instead the Council applies a 'permanent reinstatement' approach to fixing the problem – i.e. removing a larger area surrounding the recurring pothole and replacing that.

### **Damage to the Highway from Heavy Vehicles**

- During the way forward Members agreed that some parts of Cardiff have a problem with heavy vehicles damaging roads which are / should be subject to traffic regulation order that limits the use of the road to vehicles below a particular weight. The Committee appreciates that policing weight restrictions is almost impossible but asks that the Council reviews existing cases where such traffic regulations have been proposed and also does what it can to raise the profile of existing vehicle weight restricting traffic regulation orders (TROs).

I would be grateful if you would consider the above comments and provide a response to the requests made in this letter.

Regards,

A handwritten signature in black ink that reads "P. D. Mitchell". The signature is written in a cursive, slightly slanted style.

Councillor Paul Mitchell  
Chairperson Environmental Scrutiny Committee

Cc to:

Councillor Bob Derbyshire, Cabinet Member for the Environment

Councillor Graham Hinchey, Cabinet Member – Corporate Services & Performance

Andrew Gregory, Director for the City Operations Directorate

Tara King, Assistant Director for the City Operations Directorate

Matthew Wakelam, Operational Manager, Infrastructure & Operations

Christine Salter, Corporate Director Resources

Allan Evans, Operational Manager, Service Accountancy

Marie Rosenthal, Director for Governance & Legal Services

Paul Keeping, Operational Manager, Scrutiny Services

Claire Deguara, Cabinet Office Manager

Cheryl Cornelius, Cabinet Support Manager

Councillor Nigel Howells, Chair of the Policy Review & Performance Scrutiny Committee

Members of the Environmental Scrutiny Committee

My Ref: T: Scrutiny/PRAP/Comm Papers/Correspondence

Date: 18 February 2016

Councillor Phil Bale  
Leader  
City of Cardiff Council  
County Hall  
Cardiff  
CF10 4UW



Dear Councillor Bale

### **Policy Review & Performance Scrutiny Committee: 17 February 2016.**

On behalf of the Policy Review and Performance Scrutiny Committee sincere thanks for attending Committee yesterday together with Councillors Hinchey and De'Ath to facilitate consideration of the draft Corporate Plan 2016-18 and the draft Budget Proposals 2016-17. The Committee is grateful for your time, and for the co-operation of all Directors and officers in attendance to answer Members' questions. This letter captures the observations and concerns of the Committee in a structure that reflects the Committee proceedings. Firstly, comments on the Corporate Plan, secondly on the overarching budget position, followed by comments on the budget proposals of the specific service areas that fall within the terms of reference of this Committee.

### **Draft Corporate Plan 2016-18**

The Committee wishes to re-iterate that it feels the draft 2016-18 Corporate Plan is a considerable improvement on previous Plans, and thank you for making the final draft Corporate Plan available to all Scrutiny Committees in a timely manner. This has ensured proportionate scrutiny of the Council's key strategic planning document alongside budget proposals. There are a few opportunities for improvement of this final draft that Members wish to record as follows:

- Members wish to endorse an issue highlighted by the Community and Adult Services Scrutiny Committee, that the Measuring Progress sections within the Plan could be improved. Specifically, we wish to highlight the potential to refine the read across between the Plan and Appendix 1 in respect of the number of Measures associated with objectives.
- Within the Delivering Our Vision section of the Plan (page 6) we urge that you include an explanatory note that details the links between the 'Well-Being Goals', 'Cardiff Outcomes' and 'Council Priorities'.

## **Overarching Budget Proposals 2016-17**

The Committee notes that you consider there has been a good response to the consultation exercise, and that this year the approach to Member briefings has been more open and inclusive. We welcome the greater openness, and an apparently more rigorous budget setting process, and will test this via budget monitoring later in the year.

The Members were interested to hear from Unison that they have some concerns around the reflectiveness of the Council's workforce of the communities it serves. We note Councillor Hinchey will write separately to the Union on this matter. Members wish to follow up the concerns highlighted and will consider taking a look at the changing composition of staff over time. The Committee will address this during its future work programming for 2016/17.

The Committee wishes to express concern at the evident internal cost inflation and its impact on the savings made over time. Members accept that the real challenge is the moral obligation faced by a public service. The Committee feels there are green shoots of progress in savings made and note the Council is more business like, having reviewed many HR policies and specifically improved in areas such as sickness absence and agency costs. Members note that many services delivered by the Council are non regulatory but important for moving Cardiff forward, and therefore commend the lobbying of Welsh Government to ensure continuing progress for the City and many service areas.

In respect of the Changes for Cardiff budget consultation Members have some concerns around the presentation of results across methodologies of research, and whether consequently results are skewed. They are therefore pleased that the results of the budget consultation are considered just one source of information in the decision making process. However, Members would like to see caveats to the methodology highlighted more strongly in the report.

The Committee is seeking further assurance of the detailed planning behind risk assessments. Members understand the Council cannot eliminate risk and are pleased that the results of previous budget setting exercises have informed this year's risk assessments. They note that overall the administration will aim for 90% of detailed risk plans to be in place by April 2016. Members are assured that the methodological approach to risk assessment is uniform across Council Directorates, and are pleased to hear that all risk assessments are moderated by the finance team.

Members feel reassured that the overall balance of schools budgets will not worsen despite the Council increasing schools budgets, having heard that some external

schools grants would be cut. The Committee notes that the majority of capital receipts are schools related.

### **Corporate Management Proposals**

**Line 65:** Corporate initiative efficiencies, reduction in the amount available to support events and market the city. The Committee is concerned as to whether service area budgets have planned for a decrease in budget support for marketing the City, and note that the Communications and Media team will aim to offset these savings with a digital media strategy. Members note your confidence that the contingency pot for events is sufficient, although there is no reserve funding for events. Members wish to point out that for events the calibre of the Champions League Final the Council will often be required to provide match funding. We also note that big events in the City are now required to be cost neutral.

### **Economic Development Proposals**

**Lines 72 and 82:** In relation to proposals to increase rental income from the Council's property estate the Committee notes the proposals are based on current occupier levels. They accept that independent advice points to the importance of re-investing to maintain and improve the existing estate to preserve future rental income.

The Committee recognises the change in the Council's Economic Development role compared with fifteen years ago, and that the intervention of Welsh Government means that our role is in facilitating activity, enabling the private sector to deliver projects that add value and improve Cardiff's offer.

The Committee feels it has an important role in overseeing the appropriate use of land and buildings across the City, taking account of communities versus commercialism, and will seek to regularly monitor progress in its work programming.

### **Governance & Legal Services Proposals**

**Line 96:** The Committee wishes to endorse the Director of Governance and Legal Services' comment that the 2015/16 output of the scrutiny function has been significant despite two vacant scrutiny research posts. Members agree that the Council's five scrutiny committees benefit from having individual support, and recognise the commitment within the service. However, they feel the research function has been stripped to the bone.

Members noted that the reduction in two vacant posts has not been recorded in the Employee Implications of the Budget report. They take on board your explanation for

this, that additional financial pressure funding has been allocated to scrutiny on the basis that the service will be subject to a review during the year.

**Line 97:** The Committee is pleased that the Council will be saving money with the in-house provision of Welsh language translation at council meetings.

**Line 99:** Members note the risk attached to the proposed 15% increase in land charges given the existence of private agents delivering a similar service, but feel this is reasonable as the quality of reports delivered by the Council is considered notably better.

### **Resources Proposals**

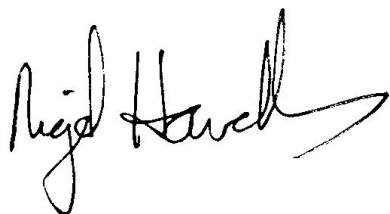
**Line 118:** Members note your explanation that the uncertainty around the Alternative Delivery Model explains why line 118, ADM Security and Cleaning, is a Red risk.

**Line 104:** In light of recent negative publicity Members are seeking assurance that the Council is adequately covered with current levels of audit support. They note that benefit fraud has recently been moved from the Council to the DWP; the posts lost are not pure audit staff; the Audit Committee has considered the proposal; and the audit manager is comfortable that with current resources he can still provide assurance to the section 151 officer.

In respect of the Capital budget Members note your confidence that the allocation of investment in ICT is adequate to support the proposed new ways of delivering council services currently under development.

Finally could I ask that you relay our comments and observations to Cabinet when it considers the Corporate Plan 2016-18 and Budget Proposals 2016/17 tomorrow. Once again please pass on my thanks to all Cabinet Members and witnesses who attended for consideration of these fundamental Council documents.

Yours sincerely



**COUNCILLOR NIGEL HOWELLS  
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Councillor Hinchey,  
Councillor De'Ath  
Paul Orders, Chief Executive  
Christine Salter, Section 151 Officer  
Philip Lenz, Chief Human Resources Officer  
Gareth Newell, Head of Cabinet Office  
Edward Janes, Principal Research and Consultation Officer  
Ian Allwood, Head of Finance  
Neil Hanratty, Director of Economic Development  
Helen Jones, Head of Property  
Marie Rosenthal, Director of Governance & Legal Services  
Claire Deguara, Cabinet Support Office  
Members of the Policy Review & Performance Scrutiny Committee  
Chairs of Scrutiny Committees



