
**CITY OPERATIONS DIRECTORATE - PERFORMANCE REPORT QTR 3 -
2015/16**

Reason for the Report

1. To present the City Operations Directorate performance report for Quarter 3 (September to December) of 2015/16. The performance report for the City Operations Directorate is attached as **Appendix 1**. This is supported by **Appendix 2** which consists of a summary of overall Council performance, for example, revenue projections, savings summaries, sickness rates and complaint levels.

Background

2. The Environmental Scrutiny Committee has a role in reviewing the performance of Council services which fall within the Committee terms of reference. A copy of the terms of reference has been attached as **Appendix 3**. The Directorate that requires regular scrutiny by the Committee is the City Operations Directorate.
3. Members have agreed to consider performance issues during 2015/16. It is anticipated that this will involve looking at the sections of the Delivery & Performance Report relevant to the terms of reference of the Committee on a quarterly basis.

Issues - Delivery and Performance Report

4. The City Operations Directorate performance report for Quarter 3 2015/16 is attached as **Appendix 1**. This document examines a wide number of performance areas including:
 - Projected Budget Outturn;
 - Projected Savings Outturn;
 - Progress against Directorate Plan / Corporate Plan Actions;

- Progress against Performance Indicators;
- Progress on Challenges Identified in Quarter 2 of 2015/16;
- Service Delivery;
- Challenges Identified;
- Risk Update.

5. **Appendix 2** provides a range of Council wide performance information which will help the Committee benchmark against the Council performance as a whole and other service areas. The document includes information on:

- Customer contact;
- Staff costs;
- Month 6 financial monitoring;
- Sickness Absence levels;
- Personal Performance and Development Review compliance as at 31 December 2015.

6. A number of key observations have been identified from the report, these are:

- For 2015/16 the City Operations Directorate has a budget of £52,389,000 and savings target of £12,058,000. At the end of Quarter 3 of 2015/16 the Directorate had a projected budget outturn of £52,538,000 and a savings projection of £10,618,000. This means that at the end of Quarter 3 the City Operations Directorate has a projected overspend of £149,000 and a projected savings shortfall of £1,440,000.
- By the end of Quarter 3 City Operations Directorate staff have taken an average of 9.5 full time equivalent (FTE) sick days. When this figure was projected across the year it produced a forecast of 12.8 FTE sickness absence days. This is below the 13 FTE target set by the Council for the City Operations Directorate. The revised 12.8 FTE days sickness forecast at the end of Quarter 3 is 0.7 FTE sickness days lower than the 13.5 FTE sickness days projected at the end of Quarter 2.
- Overall staff costs came in at 75.83% of target for the end of Quarter 3. At 14.21% the City Operations Directorate had the second highest agency spend

as a percentage of its Quarter 3 staff budget. At 3.53% the service has the third highest percentage of overtime to staff spend for the same period.

- At the end of Quarter 3 City Operations had the largest staff budget at £49,029,025 and consequently the highest year to date total spend on staff at £37,176,397. At the end of month nine City Operations had spent 133.9% of its agency budget for 2015/16; this means that they have already overspent the 2015/16 overtime budget by £1,337,202.
- The Council as a whole has spent £11,476,890 on agency staff during the first nine months of 2015/16; this is against an overall 2015/16 agency staff budget of £5,553,335. This means that for the first nine months of 2015/16 the Council has spent approximately 207% of the agency staff budget for 2015/16.
- City Operations agency spend reduced from £1,930,002 in Quarter 2 to £1,888,768 in Quarter 3. This is a reduction in agency spend of 2.1%.
- During Quarter 3 the City Operations Directorate had a 92.4% Personal Performance & Development Review (PPDR) completion rate. This is above the Council average of 90% and a reduction of 2.1% compared to Quarter 2.
- The overall Total (Head Count) of staff eligible for PPDR completion has reduced from 6,230 at the end of Quarter 2 to 5,792 at the end of Quarter 3; this is a reduction of 438 staff eligible for a PPDR. During this period City Operations has reduced from 1,387 at the end of Quarter 2 to 1,328 at the end of Quarter 3; a reduction of 59 staff eligible for a PPDR.
- The City Operations Directorate has 40 'Corporate Plan Commitment Actions'. 52.5% (21) of these are rated as 'Green', 37.5% (15) of these are rated as 'Amber' and 10% (4) are rated 'Red'.
- The Directorate has identified detailed savings/income areas and targets for 2016/17. Following a focussed directorate initiative significant progress has been made on the in-year position. From an initial 2015/16 estimated overspend of approximately £1.5m, to a previous Quarter 2 anticipated deficit of £660,000 the projected budget overspend has now been reduced to £149,000. Further work is taking place in critical areas and City Operations is confident that a balanced position will be delivered by year end.
- Work on the Infrastructure Services Full Business case is currently taking place. This will compare and evaluate the wholly owned company and modified in

house options prior to recommending an operating model for Infrastructure Services to Cabinet in May 2016.

- Cardiff's Local Development Plan was adopted at the Council meeting on 28 January 2016.
- Service changes to help Cardiff meet its statutory recycling target (58% for 2015/16) have been put in place. This includes using the press and social media to inform and reflect recent changes; charging for non-residents at Household Waste Recycling Centres commenced on 2 January 2016; potential sites have been identified for reuse facilities in North Cardiff.
- Implementation of the Shared Regulatory Service with Bridgend and the Vale of Glamorgan Councils - the population of the new structure was completed in December 2015 and the fee setting process for other licences predicated upon the new structure, will commence in Quarter 4 for the 2016/17 financial year. The service is developing a workforce plan that will be implemented in Quarter 4 following the population of the new structure. The plan will underpin the professional development of officers, particularly those undertaking new or enhanced roles.

7. **Appendix 1** includes a table of the main performance indicators used by the City Operations Directorate to monitor performance along with a number of challenges identified during the period and actions being taken to address the identified challenges. It was noted that the following 'Key Performance Indicators' were marked as 'Amber' or 'Red':

- WMT/004b – The percentage of municipal waste collected by local authorities and prepared for reuse and / or recycled, including source segregated biowastes that are composted or treated biologically in another way (Amber);
- PLA/004 (a) – The percentage of major planning applications determined during the year within 13 weeks (Red);
- PLA/004 (c) – The percentage of householder planning applications determined during the year within 8 weeks (Amber).

N.B. – It should be noted that four of the indicators published in the City Operations Directorate are annual and one is new, therefore, no results are available for these as the data is still being collected, interrogated and verified.

Challenge Forum

8. The Change Challenge Forum meets on a quarterly basis and is chaired by the Leader of the Council. Membership includes:
 - Cabinet Member - Corporate Services & Performance;
 - Chief Executive;
 - Corporate Director – Resources;
 - Peer Advisor(s) – Corporate Improvement;
 - Peer Advisor(s) - Targeted Improvement Areas (e.g. Education);
 - In addition, the Chair of Policy Review & Performance Scrutiny Committee is invited to attend and contribute to the Forum, but with “Observer” status.

9. The purpose of the Forum is to test, challenge, and shape the Council’s overall improvement journey, and specifically to provide strategic support and advice on the development of the Organisational Development Programme and to ensure that the Programme reflects national and international good practice. It is intended to identify and signpost appropriate good practice or barriers to top performance and make recommendations to assist the City of Cardiff Council to make a 'step change' in performance and improvement. The performance of the City Operations Directorate falls within the potential scope of the ‘Challenge Forum’ process.

Wales Audit Office Corporate Assessment

10. The Wales Audit Office released its Corporate Assessment of the City of Cardiff Council on 1 September 2014. The Assessment concluded that ‘whilst there have been some recent changes, performance management has failed to consistently secure improvement in the past.’ It also found that ‘performance management arrangements in the past had not consistently driven improvement and performance is comparatively weak in two of the Council’s three priority areas’.

Scope of the Scrutiny

11. This item will give Members the opportunity to consider the City Operations Directorate performance and feed in observations to support Cabinet consideration of the Quarter 3 performance reports.

Way Forward

12. Councillor Ramesh Patel (Cabinet Member for Transport, Planning & Sustainability) and Councillor Bob Derbyshire (Cabinet Member for the Environment) have been invited to attend for this item. They will be supported by officers from the City Operations Directorate. The Quarter 3 performance reports will be addressed on a portfolio by portfolio basis.

Legal Implications

13. 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

14. 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

The Committee is recommended to:

- i. Note the contents of the attached reports;
- ii. Consider whether it wishes to make any comments to the Cabinet to take into consideration on the Quarter 3 Performance report.

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Interim Monitoring Officer
9 March 2016