

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

24 FEBRUARY 2021

Present: Councillor Walker(Chairperson)
Councillors Ahmed, Berman, Cowan, Henshaw, Lister and Mackie

11 : APOLOGIES FOR ABSENCE

None received.

12 : DECLARATIONS OF INTEREST

Cllr Berman declared a personal interest as his husband is involved in supplying 4g to schools.

Cllr Henshaw declared a personal interest as her daughter was in receipt of a business support grant.

Cllr Mackie declared a personal interest as she is employed by the Cardiff & Vale Health Board for the Vaccination programme.

13 : CORPORATE PLAN 2021-24

The Chairperson welcomed Councillor Huw Thomas, Leader of the Council; Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Paul Orders, Chief Executive; Sarah McGill, Corporate Director People & Communities; Chris Lee, Corporate Director, Resources; Gareth Newell, Head of Policy & Partnerships; and Dylan Owen, Head of the Cabinet Office to the meeting.

The Chairperson advised Committee that this was an opportunity for them to undertake pre-decision scrutiny of the final draft Corporate Plan 2021-24. The Leader had engaged informally with the Committee's Performance Panel and chairs of all scrutiny committees last week, focussing on the target setting process for the Corporate Plan. Following the discussion the comments, observations and concerns of scrutiny (attached at Appendix 2) were relayed to the Leader, prior to publication of this final draft of the plan.

The Chairperson invited the Leader to make a statement in which he said that the Corporate Plan was developed during a time of challenge and uncertainty; the focus had been on the pandemic response, nevertheless the Plan was robust and rigorous; the performance panel have been involved and recommendations from them included in the Plan. There was a focus on Child Friendly Recovery, respecting and understanding the unequal impacts of the pandemic on everyone including older people.

The Chairperson invited Officers to give an oversight presentation of the Plan and any changes that have been made as a result of scrutiny engagement so far, after which he invited questions and comments from Members;

Members asked what initiatives the Council have developed to help children catch up and help schools deal with pupils who have fallen behind. Members noted that schools have different approaches to this and there was an opportunity for consistency from the local authority. Members also referred to the long term mental health impacts and how these would be addressed in partnership with Health and Education. The Leader drew Members attention to paragraphs 1.2-1.4 noting the importance of opening schools safely, producing a school recovery plan by May 2021 and delivering a quality approach to blended learning to mitigate a future lockdown. With regard to mental health, the Leader drew Members attention to paragraph 1.5 relating to Health and Wellbeing of the workforce and paragraph 1.6 relating to support for young people. He added there was a comprehensive suite of measures to address these real concerns. Officers added that the Corporate Plan addressed these concerns in two clear sections; re-engagement of pupils and safety; they would continue to deliver on Cardiff 2030 priorities. Schools had recently opened for foundation phase and key workers and there had been positive feedback regarding schools being Covid safe. A number of issues would be ongoing such as engagement with Head Teachers on challenges of schools reopening; multi-agency approach to the mental health challenge, collectively supporting schools; ensuring all pupils have digital devices; embracing the improved relationship with parents especially in more challenging communities and involvement in the Welsh Government accelerated learning programme targeting catch up strategies for those who need it. The Leader added that the Estyn report had been very strong in relation to Cardiff's approach to distance learning.

Members asked if there was any evidence to support the work regarding engagement in challenging areas such as the Southern Arc of the City. Officers stated there was, the consortium regularly liaises with school leaders as well as the Council on engagement with pupils; this had been positive in some areas although there were still some challenges to address in some deprived communities. Members stated they would like to see the data on this.

Members were aware of the number of cases relating to the Youth Offending Service waiting to go through the court system, which would need extra resources and asked what resources were available to support children above school age or out of school. The Leader explained there had been financial adjustments in the proposed budget to address the extra resource requirements in the Youth Service, +16, +18, as well as Education and Youth Offending Service. There would be a continued rollout of the Youth Offending Service Strategy. The Chief Executive added that there would be continued emphasis on mentoring support for Youth Services, Youth Justice Service and Childrens Services and also working with Youth Justice Service on employment opportunities where there was positive work coming from Cardiff Commitment. He stated he would like more specific employment schemes developed in partnership with the Cardiff Commitment and was developing discussions with other employers.

Members asked about support for parents and how many digital devices were needed for pupils, further asking if the devices would stay in the school for future use, post-Covid. Officers explained that they have already distributed over 20,000 devices and many more were ready to go; the aim was for 1:1 per pupil above foundation phase and they keep the devices to use in school and at home. For foundation phase the aim was 1:2, and to ensure that there was 1 device in the household, if there are multiple siblings they can ask for more. The Leader stressed

that devices are not a panacea as even though some pupils have them they are still not engaging due to other circumstances. Looking forward it was the expectation that devices would remain with the school to encourage digital inclusion and to support the digital curriculum; there would be a question in 3/5 years when the devices need to be renewed. In terms of support for parents, the Leader referred Members to the report and the reshaping of respite provision and overnight respite particularly for parents of pupils with learning difficulties; this was a key theme and a commitment in the budget.

Members referred to the regeneration of the City Centre and Cardiff Bay and asked if there will be a focus on local/district shopping centres across the City, asking if the 20 minute neighbourhood approach had been considered. The Leader stated that he was a big believer in the approach, noting the discussion he had had with Sustrans regarding segregated cycle ways; density and sufficient population was needed to support schools, shops, leisure centres etc.; the need to consider this approach in the round in the LDP; and as people continue to work from home, local areas will be used more and there would be less influx of people to the City Centre.

Members referred to supporting people out of poverty and asked if there was enough emphasis on employment opportunities and raising standards in schools particularly in deprived areas. The Leader stated he agreed with the concept that a good education was the basis for a good job; he noted the improvements in educational attainment in the City and especially in the Southern Arc, during the last decade, noting the NEET figs had decreased from 20% to 1.5%. He added that there is a lot in the Corporate Plan that demonstrates the grip on this agenda and also on improving links with employment opportunities. The strategic direction was the Education 2030 Strategy and also rebuilding schools in the Southern Arc of the City.

Members discussed digital consultations and the importance of identifying people who are not digitally included and consulting with them in other ways; it was considered this could be reflected in the Citizen Engagement Strategy which will be prepared in the next 12 months.

Members discussed the importance of all staff and Councillors becoming Dementia Friends by March 2022 and urged any Councillors who have not completed the training to do so.

Members referred to section 7.1, 'Developing a comprehensive programme of organisational recovery and renewal to adapt Council services for the post-pandemic world', noting there was just one KPI relating to this. The Chief Executive accepted that it was a major piece of organisational development work needed by the Council, looking at office accommodation, agile working and those areas that have been badly affected by the last 12 months. There would be a Cabinet proposal in May with more detail.

Members asked about the link between the Corporate Plan and the Budget, noting the lack of financial KPI's, savings, budgets, and staff resources in the Corporate Plan. Members considered aligning the two would be beneficial. The Chief Executive stated it would link to the Medium Term Financial Plan and there was work in advance of the budget setting process for 2022/23, which was a key piece of work.

He considered that the Plan compliments the budget and did not think it needed specific financial targets.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

14 : DRAFT BUDGET PROPOSALS 2021-22

The Chairperson advised Committee Members that in line with this Committee's Terms of Reference Members have responsibility for taking an overview of revenue and capital budget proposals from a corporate and strategic point of view. In addition they would receive a brief overview of budget implications for specific services that fall within the Resource Director's remit.

This budget item would be split into two parts: An overview of the 2021/22 corporate wide budget proposals which would include a summary of the implications for the Resources directorate and Governance and Legal Services, followed by Scrutiny of the Capital Programme,

The Chairperson welcomed Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Chris Lee, Corporate Director Resources; Sarah McGill, Corporate Director, People & Communities; Ian Allwood, Head of Finance; Gareth Newell, Partnership and Community Engagement Manager and Sian Sanders, Cohesion & Community Engagement Manager to the meeting.

The Chairperson invited Cllr Weaver to make a statement on the 2021/22 budget. Councillor Weaver referred to the provisional settlement received just before Christmas which means a shorter budget process. As the settlement was better than anticipated the level of savings is slightly lower, as is the Council Tax increase.

The Chairperson invited Finance officers to give a corporate overview of the budget and briefly outline the implications for Resources services (Finance, HR, Digital), after which he invited questions and comments from Members;

Members noted the Red/Amber RAG rating against accountancy staff resources and asked if this posed a risk to the Council and if officers were confident that the savings were achievable. Officers explained that the savings were achievable as there is a vacant post; there are challenges in terms of getting the right skills mix to address the financial challenges; training is ongoing and there are three trainees who will hopefully qualify by the summer; the risk is getting the right people into posts and this is being mitigated by training staff internally. It was noted that if the specific skills needed to be brought in then the money would have to be spent.

Members asked about pay rises for staff and were advised that there was an estimate of 2% for Council staff, although it was not yet an agreed figure.

Members asked how Cardiff compares on Council Tax increase with other Local Authorities and were advised that some in Wales were around 4%, some in England were 5% and Cardiff was 3.5%.

Members asked about Council Tax collections and were advised that collection rates are regularly monitored, more so this year, and they are within 1% of where they would normally be, other Local Authorities (LA's) were worse. Bad debt provisions would be looked at when needed.

Members discussed the Financial Resilience Model (FRM) and contingency reserves, and considered that the reserves looked slim compared to other LA's. The Cabinet Member considered the FRM was important to ensure financial resilience outside of the reserves; it can be used if a lower settlement is received and if not needed it can be used to address targeted interventions such as recycling rates, supporting young people after the pandemic etc. Officers added that reserves are only part of the picture, they are part of a suite of indicators and the Section 151 Officer assured Members he considered them to be robust. Members noted the reserves were £4.8 million earmarked reserves.

Members discussed Covid implications into next year, loss of incomes etc. and it was noted that further support from Government would be needed.

Members discussed the pressures and overspends in Adult and Children's Social Services. Officers explained that work was underway with Welsh Government to identify any costs that are from the pandemic and understand the issues; month 9 showed a significant improvement in Adult Social Services. Officers are aware of the challenges and plans are in place to work very closely to address them.

Members referred to the recommendation from this Committee in September 2020 that savings be specific to each area and not across the board, asking if this had been done. Officers outlined the approach taken with each area's savings proposals being subject to a robust business case and linking specific budget proposals to the Corporate Plan; it was recognised that not all areas can give the same and that more was being done at the planning stage to ensure robustness and achievability.

Members sought clarity on the FRM amount for supporting certain bus routes and were advised that this was a carry forward.

Members asked how achievable income generation would be this year in the current climate. It was noted that income reliant on the public was unlikely to be achieved but income such as fees and charges was more reliable.

Members asked what percentage of Covid related costs would be claimed back from Welsh Government (WG) and were advised that currently over 95% of claims had been received back to date. Members asked if the Council had topped up the extra 20% to furloughed staff and were advised they did and that no-ones salary had been reduced.

In relation to homelessness, Members asked if the budget future proofs the work that is ongoing. Officers explained that the WG hardship fund has supported homelessness to date and WG has been clear about what is available for next year. Officers have reviewed the budgets and with both monies, they are confident they can maintain it but it will be a challenge. Key issues are having capital investment monies, chargeable rents, appropriate service charges and to prepare for the future.

Members noted the complexity in separating out the extra Covid costs and routine work costs but asked if there was any way this could be refined in the coming year to make it clearer. Officers explained that the month 9 report to Cabinet, separates out the Covid costs that have been claimed from WG; this was starting point and it would be reviewed going forward.

Members asked if Track Trace Protect was going as planned. Officers explained they had increased resources in recent months, figures are submitted to the Heath Board monthly and resources are adjusted as needed; the TTP team are also supporting National work. The team will be required for some time yet, even after the vaccination programme.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

15 : DRAFT CAPITAL PROGRAMME 2021/22 - 2025/26

The Chairperson welcomed Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Chris Lee, Corporate Director Resources; Sarah McGill, Corporate Director, People & Communities; Ian Allwood, Head of Finance and Anil Hirani, Operational Manager, Capital, Corporate & Treasury for this item.

The Chairperson invited Cllr Weaver to make a statement on the Capital budget & programme in which he outlined a number of large items including a large part of the Capital Programme spend over the last few years on Schools and Council Housing; and new and amended schemes such as neighbourhood and district centre regeneration.

The Chairperson invited Finance Officers to give their presentation, after which he invited questions and comments from Members;

Members noted that in the five year plan the figures in 2022/23 were very high. Officers explained that in the Capital Strategy there is a deliverability angle whereby expenditure tends to fall in the middle of the five year cycle, there could of course always be slippages. Also Welsh Government Grants were allocated on an annual basis which makes longer term planning more difficult; only the grants that are known about are included. Any supposition on larger schemes were included in the report.

Members discussed local centre regeneration and the budget for this, asking if it was just for infrastructure and noted that it does not include grant support. Officers advised this was correct, it needs to be capital in nature. Members asked if what was in the budget sufficiently joined up with the Corporate Plan and were advised that it links to wider economic regeneration and not everything the Council will do goes into the Corporate Plan.

Members sought clarity on the Roath Park Dam and were advised that discussion between Natural Resources Wales and the Council had taken place and work was essential, so it needed to be included in the programme but at this stage the detail of the work required was unclear.

Members noted the impressive amount of Capital Schemes and asked if they were RAG rated as to their achievability and risk to the Council. Officers explained that risks happen at all stages of the Capital Programme; a desktop appraisal is

undertaken at the start of the project, and slippage is shown in monitoring reports; it can be quite complex as some money doesn't get spent quickly enough, so risk assessment happens throughout the projects life.

Members asked if there were any red risks and Officers advised this would relate to slippages/affordability/interest rates/progress on works etc. It would be on a project by project basis, there has to be a robust business case and treasury management is critical in monitoring borrowing over time, tracking borrowing, looking at revenue spend etc. All indicators are challenged and Audit are included throughout.

Members asked if borrowing was at a fixed rate. Officers explained that they don't borrow on a project by project basis but by the whole Capital Programme, so there is a mix of borrowing types to provide flexibility.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Members on behalf of the Committee to convey their comments and observations.

16 : DATE OF NEXT MEETING - 16 MARCH 2021

The meeting terminated at 12.42 pm

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