



County Hall
Cardiff
CF10 4UW
Tel: (029) 2087 2000

Neuadd y Sir
Caerdydd
CF10 4UW
Ffôn: (029) 2087 2000

AGENDA

Committee	ECONOMY & CULTURE SCRUTINY COMMITTEE
Date and Time of Meeting	THURSDAY, 3 DECEMBER 2015, 5.00 PM
Venue	MEETING ROOM E, CITY HALL
Membership	Councillor McKerlich (Chair) Councillors Dilwar Ali, Govier, Howells, Hyde, Javed, Stubbs and Weaver

Time approx.

1 **Apologies for Absence**

To receive apologies for absence.

2 **Declarations of Interest**

To be made at the start of the agenda item in question, in accordance with the Members' Code of Conduct.

3 **Minutes** (*Pages 1 - 8*)

To approve as a correct record the minutes of the previous meeting.

4 **Quarter Two 2015/16 - Monitoring Performance** (*Pages 9 - 46*) 5.05 pm

(a) City Operations (5.05pm)

- (i) Councillor Bradbury, Cabinet Member: Community Development, Co-Operatives and Social Enterprise will be in attendance and may wish to make a statement
- (ii) Andrew Gregory (Director – City Operations) will be in attendance to provide a presentation and to answer Members' questions;
- (iii) Questions from Committee Members

(b) Economic Development (5.20pm)

- (i) The Leader, Councillor Phil Bale will be in attendance, and may wish to make a statement
- (ii) Neil Hanratty (Director – Economic Development will be in attendance to provide a presentation and to answer Members' questions;
- (iii) Questions from Committee Members.

5 Cardiff Capital Region City Deal (*Pages 47 - 80*)

5.40 pm

- (a) The Leader, Councillor Phil Bale will be in attendance, and may wish to make a statement
- (b) Paul Orders (Chief Executive) and Neil Hanratty (Director – Economic Development) will be in attendance to provide a presentation and to answer Members' questions;
- (c) Questions from Committee Members

6 Committee Business and Correspondence (*Pages 81 - 110*)

7 Date of next meeting

6.40 pm

The next meeting of the Committee is scheduled for Thursday 14 January 2016 at 4.30pm.

Marie Rosenthal

Director Governance and Legal Services

Date: Friday, 27 November 2015

Contact: Andrea Redmond, 029 2087 2434, a.redmond@cardiff.gov.uk

ECONOMY & CULTURE SCRUTINY COMMITTEE

5 NOVEMBER 2015

Present: County Councillor McKerlich(Chairperson)
County Councillors Dilwar Ali, Govier, Howells, Javed, Stubbs
and Weaver

36 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Hyde.

37 : DECLARATIONS OF INTEREST

A Declaration of Interest was received from Councillor Weaver:

Councillor Weaver declared a personal interest in the agenda as a whole as he is the Assistant Cabinet Member for Libraries.

38 : MINUTES

The minutes of the meeting held on 10 October 2015 were agreed as a correct record and signed by the Chairperson.

39 : WELSH PUBLIC LIBRARY STANDARDS 5TH FRAMEWORK - ANNUAL REPORT

The Chairperson welcomed Councillor Bradbury, Cabinet Member: Community Development, Co-Operatives and Social Enterprise, Sarah McGill Director – Communities, Housing & Customer Services and Isabelle Bignall Head of Service - Customer Services and Nicola Richards Central Library Manager to the Committee meeting.

Members were provided with a presentation by Isabelle Bignall which included information on The Fifth Quality Framework 2014-2017; Framework 5 – Year 1; Core Entitlements; Quality Indicators with Set Targets (All Fully Met); Quality Indicators with Set Targets – Partially Met; Wi-Fi Headlines; Quality Indicators – Not Met; WPLSQI9 – Appropriate Reading Material; Quality Indicators – Benchmarking and Annual Assessment Highlights;

The Chairperson thanked Isabelle Bignall for her presentation and invited questions and comments from Members:

- Members asked if targets set by Welsh Government restricts the vision for libraries for the future, with particular reference to e-learning rather than physical footfall. The Cabinet Member noted that some Performance Indicators (PI's) are historic, such as PC use in libraries which doesn't take into account people using for example the digital suite or their own portable devices in Cardiff Central Library Hub. He added that other standards needed to be looked at in the current financial position, such as judging on opening hours when the Council cannot afford to staff the libraries for longer opening hours.

- Members asked how Officers considered they could close the digital divide and ensure every household in Cardiff has access to e-learning. The Cabinet Member stated that this was a crucial part of the Hubs Strategy and internet use at Hubs was increasing. Officers added that the Digital suite at Cardiff Central Library Hub was Wi-Fi enabled and there was also now a Wi-Fi enabled travelling library. Officers stressed that digital learning was a priority.
- Members asked what form of Survey was needed to meet the partially met core entitlement standard and whether non library users would be included. Officers advised that lots of informal surveys are already undertaken however Welsh Government require a CIPFA survey to be conducted; non library users will be asked, they are also asked in the Ask Cardiff survey and when hub research is being undertaken.
- Members noted the failed standard for replenishment of stock and asked if this had an effect on the wait time for popular items. Officers stated that they don't have complaints about wait time, they have lots of stock in the libraries and any extra stock would cause an issue with storage so they don't see this as a problem at the moment; they use space for bring your own devices. The Cabinet Member added that the book fund had been protected for two years.
- Members noted that the Staffing standard was not compliant and that MALD only funded part of this, and asked if this standard needed to be changed to reflect hubs etc. The Cabinet Member stated that he would feed back the comments about standards meeting the current service provision to the Welsh Government.
- Members asked whether there was capability with the WIFI to cope with increased visitors. Officers explained that historically libraries used to be on the Council WIFI network, however now they were connected to the unlimited super connected WIFI so there should not be any capacity issues.
- With regards to the Mobile Library service, Members asked if this service was going to be increased. Officers explained that the old Mobile Library Vehicle was no longer fit for purpose; Monmouthshire's Mobile Library Vehicle had been purchased and rebranded, this would pick up the stops previously visited and some extra but there would be no further increase in provision. CyMal (MALD) grant would be used to bid for the mobile service.
- Members noted that Roath Library had been closed for over a year; local Members had been promised mitigations with relation to drop off points etc. and nothing had been heard since. The Cabinet Member apologised and stated that lots had been outside of the control of the Council; officers had been told that it has to happen though and he offered to meet with the local Member separately about this. Officers added that Plasnewydd Community Centre would have been the ideal location to offer an alternative provision but it was not in Roath; Officers had explored options with St German's church including parking the Mobile Library there, but this was not feasible due to the £20k charge they had quoted; however boxes of books were now left in the Church for residents to use and the Mobile Library visits there.

The Chairperson thanked the Cabinet Member, officers and other witnesses for attending the meeting, giving their presentations and statements and for answering Members questions.

AGREED – That the Chairperson writes on the Committee’s behalf to the Cabinet Member to convey their comments and observations. [View Letter](#)

40 : CARDIFF CENTRAL LIBRARY HUB

The Chairperson welcomed Councillor Bradbury, Cabinet Member: Community Development, Co-Operatives and Social Enterprise, Sheila Hendrickson Brown Chief Executive of the Cardiff Third Sector Council, Sarah McGill Director – Communities, Housing & Customer Services, Isabelle Bignall Head of Service - Customer Services and Nicola Richards Central Library Manager to the committee meeting.

The Chairperson invited questions from Sheila Hendrickson Brown as part of the pilot for allowing public questions at Scrutiny. The questions were as follows:

‘Can you outline how far the performance of local hubs has met the objectives set out in the Hubs Strategy, and what impact they have had on service delivery, compared to the way services were delivered previously?’

The Cabinet Member responded saying; When originally establishing the concept of Community Hubs, the vision was that “Cardiff’s citizens will be able to access the services they need in the way they want to, through joined up services and closer working between The City of Cardiff Council and its partners.”

The Community Hubs concept was built on 4 key principles:

- Wherever possible, hubs will bring together existing council and partner services within one building. This will provide efficiencies in the use of staff and buildings, and allow reinvestment in customer services.
- Hubs will be implemented in accordance with the co-operative values and principles by engaging communities and partners in the planning and delivery of local services.
- There will be at least one hub in each neighbourhood partnership area, however, there may be more than one where the area requires it. They will also be tailored to the local area, based on needs analysis and consultation. There will not be a ‘one size fits all’ approach.
- Hubs should be in locations which are easily accessible, for example in existing district centres and should have good public transport links. Where possible, revenue savings will be made, however, some capital will be available for the development of buildings.

He added that he believes that this Hubs concept has been hugely successful and at a time when councils could have pushed more and more services online or over the phone, we recognised the importance of offering more complex transactions face to face. The number of people using the service, customer feedback, as well as

support and recognition from Welsh Government has shown that there is demand for face to face service.

Successes of the service were outlined as:

- The number of customers that visit our Hubs with either Benefit or Housing specific queries continues to increase month on month.
- Over 1,000 customers visit the Ely / Caerau Hub with benefit queries each month and a further 400-500 with queries that relate to housing need.
- Our Money Advice Team based at the City Centre Hub has led to savings of almost £300,000 in 2014/15 and over £5,000,000 weekly benefit gained during 2014/15.
- Over 63,000 internet bookings were made at our Ely / Caerau Hub and this represents a 99% increase when compared to the previous year. It is equally successful at other hubs with Llanrumney and St Mellons receiving 25,000 and 20,000 internet bookings respectively.
- Llanrumney Hub had 32,000 books issued in 2014/15, an average of 2,668 books were borrowed each month and 469 new people became a member of our libraries during 2014/15.
- St Mellons Hub had over 64,000 books issued in 2014/15, an average of 5,367 books were borrowed each month and 787 new people became a member of our libraries during 2014/15.
- Ely/Caerau Hub had over 47,000 books issued in 2014/15, an average of 3,966 books were borrowed each month and over 1,200 new people became a member since re-opening in June 2014.
- Butetown Hub had over 1,000 books issued in 2014/15, an average of 84 books were borrowed each month.

All this was achieved through bringing together services into a single building enabling revenue savings to the council. To date, this has achieved revenue savings of £1.4 million.

There are some exciting new Hubs, either currently being redeveloped or in the planning process:

- Grangetown Hub - construction is due for completion in December
- STAR Hub - contractor appointed and a 57 week build due for completion September 2016
- Llandaff North & Gabalfa Hub - construction due for completion December 2016
- Fairwater Hub - construction planned for January to April 2016
- Rumney Partnership Hub - will be completed later this month on the 23rd November.

Sheila Hendrickson Brown asked a question : 'Will there be opportunities for the third sector to contribute to the evaluation of the Hubs Strategy, and to put forward proposals for mitigating unintended consequences or gaps in service delivery?'

The Cabinet Member responded saying; We are already regularly in contact with and open to ideas from all possible third sector partners – for example we are currently discussing with RNIB Cymru the potential to assist in their delivery of workshops.

There is also potential to assist with the distribution of information and support for people with sight and/or hearing loss.

Now that the Hubs model has been in place for sometime and we want to maximise the outcomes from the new Central Library Hub, it would be timely to undertake a review with our partners to see how we can work together. It would be good to do this in partnership with Cardiff Third Sector Council and we will be in touch shortly to arrange this.

Sheila Hendrickson Brown added that she had concerns to ensure that, notwithstanding the clear increased use of libraries secured through hub developments and the positive outcomes that are being achieved, she asked for clarity of the steps that are in place to provide the assurance that no-one is being left behind; that arrangements are in place to support those people who might not be using the services that they used to use, before procurement activity was undertaken to arrange hubs.

She referred as examples relevant to the Service Hub to people who might have used the service when the Somali Advice Centre was in the Advice Hub and provided heritage language support. She also mentioned older people who might have used at home services provided through Age Connects that might not be still provided or not provided to the levels they were previously.

In response, Cllr Bradbury said that, while he supported the procurement arrangements that had been made, he would be pleased to meet Sheila to discuss the specific examples cited.

The Chairperson thanked Sheila Hendrickson Brown for her contribution to the Committee.

Members received a presentation from Isabelle Bignall on the Central Library Hub Case Study which included information on Background; The Move; The New Central Library Hub; Re-purposed Technology; New Technology; Central Library Hub Services and Priorities.

The Chairperson thanked Isabelle Bignall for her presentation and invited questions and comments from Members:

- Members asked if Officers were confident that the service was sustainable and asked if opening times and self service out of hours had been explored. The Cabinet Member explained that there were already innovative self service initiatives taking place; with regards to sustainability he added that all Hubs have had business cases to make sure they are sustainable for the next five years at least; they have plugged a gap that the Council could not fill in the current budgetary position. With reference to Central Library Hub he stated that this was considered more sustainable as it had more income generating opportunities. Officers added that one of the drivers behind Hubs was the increase in people wanting advice/first point of contact etc. with this increased footfall it was important that there were sustainable places for council services to be provided.

- Members offered their congratulations on what has been achieved so far; noted that Central was very technology driven and asked if Officers were confident in the resources, technology and connectivity there. Officers advised that they had made sure when they developed a digital floor at Central, that there was a separate very reliable network; there were three networks there, a Council network, a Business network and Public Wi-Fi, no problems had been reported so far. With regard to staffing the floor, staff had been brought in who were very digital savvy and helpful to the public; it was noted that more staff would be ideal so they were working with the Into Work team to explore this.
- A Member was concerned about access to the Central Library Hub for less able people; noting that there were no easy drop off points or disabled parking bays near by. The Cabinet Member offered to speak with the Member outside of the meeting to listen to any concerns.

The Chairperson thanked the Cabinet Member, officers and other witnesses for attending the meeting, giving their presentations and statements and for answering Members questions.

AGREED – That the Chairperson writes on the Committee’s behalf to the Cabinet Member to convey their comments and observations. [View Letter](#)

41 : LIBRARY STOCK MANAGEMENT

The Chairperson welcomed Councillor Bradbury, Cabinet Member: Community Development, Co-Operatives and Social Enterprise, Sarah McGill Director – Communities, Housing & Customer Services and Isabelle Bignall Head of Service - Customer Services to the committee meeting.

The Chairperson invited the Cabinet Member to make a statement in which he noted that this was a genuine pre-decision scrutiny and he was keen to take Committee’s views to Cabinet. He stated that there was a real need to reform this service, there was a huge amount of stock locked away in Dominions Way which was very costly to the Council; this stock needed to be made accessible and consideration needed to be given to where it could be housed. An option was to use one wing of Cathays Library, local Members have been consulted on this. A stakeholder group would hopefully be established to determine what to do with the rest of the stock going forward.

Members were provided with a presentation from Sarah McGill on the Libraries Stock Management Strategy and Local Studies Service, which included information on: Current position on Cardiff Library Service and Dominions Way Services; Issues/Opportunities; Stock Management – Historical ‘legacy’ Collections and Recommendations.

The Chairperson thanked Sarah McGill for her presentation and invited questions and comments from Members:

- Members asked if temperature controlled rooms would be needed in Cathays Library for storing some of the books. Officers advised they wouldn’t be

needed for the books that would be transferred there, they added that a consultant would be engaged to advise on collections and their environments.

- Members asked if the space required would remain constant or would it need to grow over the years. Officers advised that currently there was a lot of information on Microfiche and the Microfiche machines were quite large, some would remain but over the years there would be increased digitisation.
- Members asked whether there was any value in the collections and whether some could be sold. The Cabinet Member stated that moving some of the collection to Cathays Library would benefit Cathays Library going forward; local groups have huge interest in certain collections and it was important to engage with them now to determine how they are dealt with in the future. Officers added that lots of the collections would have been gifted to the Council and would have had a caveat that they cannot be sold. Savings would be made from the costs of Dominions Way.
- Members discussed the possibility of renting out the Art Collection as happens in Stuttgart. The Cabinet Member stated that nothing was off the table in terms of maximising the enjoyment of the items in the future.

The Chairperson thanked the Cabinet Member, officers and other witnesses for attending the meeting, giving their presentations and statements and for answering Members questions.

AGREED – That the Chairperson writes on the Committee’s behalf to the Cabinet Member to convey their comments and observations. [View Letter](#)

42 : DATE OF NEXT MEETING

The next meeting of the Economy & Culture Scrutiny Committee is scheduled to be held on Thursday 3 December 2015 at 4.30pm in CR4, County Hall, Cardiff.

The meeting terminated at 6.20 pm

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

ECONOMY & CULTURE SCRUTINY COMMITTEE

3 DECEMBER 2015

**QUARTER TWO 2015/16: MONITORING PERFORMANCE OF SERVICES
REPORTING THROUGH COMMITTEE TERMS OF REFERENCE**

Purpose of report

1. The Economy and Culture Scrutiny Committee is responsible for scrutinising performance of the Directorates reporting through the Committee's terms of reference, thereby facilitating challenge and public discussion which should help to drive improvement of those services.

2. The Directorates that fall under the Terms of Reference are Economic Development, City Operations and Communities, Housing and Customer Services, although it should be noted that only some aspects of these Directorates apply to this Committee. Attached at **Appendix A** are the Committee Terms of Reference, colour coded by the directorates they fall within.
 - Green – Economic Development
 - Pink – City Operations
 - Orange – Communities Housing and Customer Services.

Background to Performance Report

3. In setting the Committee's 2015/16 work programme at the Committee Meeting held on 9 July 2015, Members agreed to trial a new approach to scrutinising performance. The agreed approach was for the Chair of the Committee to review Quarterly Performance Reports with the Principal Scrutiny Officer and, based on

areas of interest or concern, identify which directors and Cabinet Members to invite to present to the full Committee.

4. Where a Directorate is not selected to present to a particular Committee Meeting, Members may request a written summary of certain projects or aspects of a Directorate's work, to provide more information than is contained within the Quarterly Performance Report. The full set of quarterly corporate performance reports for each Directorate would still be available for Members' consideration.
5. The Quarter 2 Performance Reports attached as appendices provide the Committee with information about the context that these services are operating in, performance information and the management actions that are being taken to address performance issues.

Quarter 2 Delivery and Performance

6. The Quarter 2 Delivery and Performance Report 2015/16 relevant to the terms of this Committee can be found attached as **Appendix B**. The Report is split as follows:
 - Corporate Overview Pages 1 – 10
 - City Operations Pages 11 – 15
 - Communities, Housing and Customer Services Pages 16 – 19
 - Economic Development Pages 20 – 23
7. The performance figures relevant to this committee within the Corporate Overview have been highlighted using the colour system above. Members may wish to note that the figures for City Operations and Communities, Housing and Customer Services Directorates relate to the whole Directorate, and that the performance of the individual elements applicable to this Committee are not separated out.
8. The following approach has been chosen for the scrutiny of Quarter 1 performance:

- Economic Development Directorate has been chosen to appear at Committee to present on Quarter 1 performance and receive questions from Members.
 - The Director of City Operations has been requested to provide a short update on the Alternative Delivery Models for Leisure Facilities procurement exercise, and a presentation will be delivered at the Committee meeting.
 - The Director of Communities, Housing and Customer Services has been requested to provide additional information relating to Into Work Services – this is attached at **Appendix C**.
9. The Chair of the Economy and Culture Scrutiny Committee has requested the update from the Director of City Operations given the following narrative within the Q2 Performance Report (found on **Page 13** of **Appendix B**):

***Establish the future cultural and leisure needs of the city (Red):** We are Unlikely to deliver all financial savings in year due to legal support provision implications, although competitive dialogue process continues with two bidders in both Leisure & the Arts. Options are currently being considered. Report to Cabinet programmed for Feb/Mar 2016. The procurement process does not look as if it will deliver the level of savings that was hoped for and as a result of increasing financial constraints on the Council; there is a fundamental review at senior officer level as to what the Council can sustain. CEO and Director of Resources are raising the issue at political level.*

10. Having considered three library related items at the November meeting of the Economy and Culture Scrutiny Committee, the Chair of the Committee did not feel it was necessary to scrutinise these elements of the Communities, Housing and Customer Services Directorate's performance. A written update on Into Work services has been requested given the following narrative within the Q2 Performance Report (found on **Page 16** of **Appendix B**):

***Into Work** - CV builder has been created and staff have been trained and audited to enable clients to use the system in the job club. Guaranteed interviews have been carried out in Ely and Caerau Hub, Butetown Youth Pavilion and St Mellons Enterprise Centres. 'More than a Jobs Fair' was held on the 9th of September with over 1,750 visitors and more than 30 employers attending.*

11. **Pages 11 – 15 of Appendix B** detail the individual performance of the City Operations Directorate. The information relevant to this committee has been highlighted in orange. As detailed above, the Cabinet Member - Community Development, Co-operatives & Social Enterprise, and Director – City Operations, have been requested to attend the Committee Meeting to provide an update on the Alternative Delivery Models for Leisure Facilities procurement exercise
12. **Pages 16 – 19 of Appendix B** detail the individual performance of the Communities, Housing and Customer Services Directorate. The information relevant to this Committee has been highlighted in pink. As detailed above, the Cabinet Member - Community Development, Co-operatives & Social Enterprise, and Director – Communities, Housing and Customer Services, have not been requested to attend the Committee Meeting. Any comments Members may have on these areas can be captured and submitted within the Chair's Letter as discussed during the meeting Way Forward.
13. **Pages 20 – 23 of Appendix B** detail the individual performance of the Economic Development Directorate. The information relevant to this Committee has been highlighted in green. The Economic Development Directorate has been chosen for the Committee's focus at the December 2015 meeting. The Council Leader Councillor Phil Bale and Director of Economic Development Neil Hanratty have been invited to present on Quarter 2 performance.
14. Based on the areas of focus from the scrutiny of 2014/15 delivery and performance, Members may wish to note the following areas from the Economic Development Directorate performance report:

Progress on Challenges Identified at Q4 (2014/15)

- **Addressing in-year projected over-spend** - Pro-active work is being undertaken across the Directorate to continue to reduce the end of year projected over-spend. The proposed implementation date for the alternative delivery model (ADM) in respect to St. David's Hall and New Theatre will have an impact on end of year figures.
- **Ensuring delivery of 15/16 savings targets** - Close budget monitoring is in place to ensure an end of year balanced position where possible.
- **Explore the Heritage Trust approach to the Castle and other heritage assets** - The scope of the proposed Cabinet report has been extended as a result of the change of use of the Old Library and opportunities recently identified in respect of the wider Cardiff Collection. Additional support for the development of this project has been secured through the Regional Tourism European Fund and a report will be presented to Cabinet early in the New Year.
- **Progress the Cultural Venues ADM procurement** - Tender Requirements and descriptive documents issued. It is expected that the Officer Decision Report for the detailed solution is to be completed by November so that an invitation to submit final tenders can be issued.

15. Members may also wish to note the following progress on challenges identified in Q1 – both will be addressed by the Committee either through a more comprehensive item to Committee (City Deal) or via task and finish work (Bus Interchange):

- **Progressing the City Deal** - Regional partners have been assembled from all local authorities in South East Wales, working with Welsh Government and advisors to develop a City Deal for the Cardiff City Region. A position statement has been submitted to HM Treasury and governance arrangements established. Work is progressing to develop an 'in principle' submission to the UK Government early November.

- **Develop detailed costings and scheme for a new bus station** - Preparing high level reports for the delivery of a new Central Bus Interchange in advance of submitting a planning application

Q1 Service Delivery – Directorate Delivery Plan

- **Deliver, with partners, 200,000 square feet of Grade A office** as part of a new business district in the vicinity of central station between March 2014 and March 2016 - Construction of 135,000 sqft of grade A office accommodation is progressing at Central Square. Planning permission is in place for a HQ of 180,000 sqft and due to commence this year. 80,000 sqft has been completed at Capital Square with a further 80,000 sqft under construction. Legal & General has signed a £400m deal with Rightacres to back the redevelopment of Cardiff city centre representing a vote of confidence from the business community.
- **Implement a delivery strategy to progress a Multi-Purpose Arena by March 2016** – A Business Case has been developed for delivering the Multi Purpose Arena, it has been agreed that the Council should progress investigations to deliver the development with partners. Proposals will be reported to Cabinet in December.
- **Develop a heritage quarter proposal for the Civic Centre, including a plan for the refurbishment of City Hall by March 2016** – Advisors have been appointed to complete the Cathays Park Urban Design Framework by the end of the year.
- **Establish a new Tourism Development Strategy by June 2015** with a view to doubling the value of overnight tourism in the city-region by 2020 - Cardiff has been awarded £180,000 from Visit Wales as part of the Welsh Government Regional Tourism Engagement Fund. Cardiff will lead on the delivery of 5 tourism activity projects collaboratively with S.E. Wales Local Authorities and private stakeholders aimed at developing visitor numbers and tourism promotion across the region.
- **Establish the future cultural and leisure needs of the city** and ensure the sustainable delivery of cultural and leisure infrastructure and services at less

cost through new operating models, by June 2016 – The procurement process for an ADM is on track for completion at the end of the year.

16. **Page 21 of Appendix B** shows Key Performance Information data for the Economic Development Directorate. Four Performance Indicators are marked as ‘amber’ – meaning performance is slightly below target. These will be of particular interest for this Committee and are given below:

Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
Grow membership of the Cardiff Business Council to 1,000 members (by 2016) (cumulative figure)	120	164				1,000		A
The Council has embarked upon a review of the organisation in anticipation of future funding shortfalls and the City Deal opportunity.								
Number of Attendances At Cardiff Castle	274,285	76,636	99,926			285,000		A
Customer Satisfaction Level For Cardiff Castle	NPS+53	NPS+25	NPS+47			NPS+50		A
The NPS (Net Promoter Score) score used at Cardiff Castle only takes account of those who would score 9 or 10 out of 10 in								
Investment Portfolio Income	£4.023m	£1,073m	£1,915m			£4.3m		A
At quarter 2 we received £1,915m of the £4.3m income target.								

17. The following challenges and corresponding actions have been identified in Quarter 2:

Challenge – City Deal – maintain momentum to progress the City Deal.

Action – Work with regional partners to complete an ‘in principle’ proposal for submission in November.

Challenge – Central Square – Assisting Rightacres to gain approval from the BBC to commence their building then trigger completion of Central Square and the Bus Station.

Action – Complete high level reports on the bus station scheme and costings for Cabinet by Q3.

Challenge – South of the Station – Complete the assessments and options available to the Council for the delivery of a 15,000 seater Arena and associated developments.

Action – Progress investigations to deliver the development with partners and present proposals to Cabinet in December.

Challenge – ISV – Assist the developer to deliver the new Ice Arena in Q4 together with a clear plan on the remaining developments on the Sports Village and retail site.

Action – Continue to monitor and assist the development of the Ice Arena.

Challenge – Funding – complete and deliver employment and jobs output where there has been significant cuts in WG funding / grants.

Action – Submit Capital Cardiff bid and review funding options.

18. **Page 22 of Appendix B** provides progress on emerging risks identified in previous quarters. Of note for this Committee is:

Arts Venues (Q4) - should timescale for procurement on Arts Venues alternative management not be met, savings achievement would be delayed.

Inherent Risk – Red.

Residual Risk – Red.

Way Forward

19. At the meeting, the Leader, Councillor Phil Bale and Neil Hanratty (Director of Economic Development) will be in attendance to answer questions that Members might have.
20. Members will have the opportunity to discuss and comment on the performance information provided for the relevant areas of the City Operations and Communities, Housing and Customer Services Directorates. Members may also wish to consider the way that future quarterly scrutiny of performance might be arranged, and to identify any issues which require more detailed scrutiny in the coming year.

Legal Implications

21. 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

22. 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.

Recommendation

The Committee is recommended to:

- a. Consider the contents of the report, appendices and evidence presented at the meeting;
- b. Report any comments, observations or recommendations to the appropriate Cabinet Member.

Marie Rosenthal

Director of Governance and Legal Services

27 November 2015

Economy and Culture Scrutiny Committee Terms of Reference

To scrutinise, measure and actively promote improvement in the Council's performance in the provision of services and compliance with Council policies, aims and objectives in the area of economic regeneration

The Committee is responsible for looking at the following areas:

- Cardiff Business Council
- Inward Investment and the marketing of Cardiff
- South East Wales Economic Forum
- Economic Strategy & Employment
- European Funding & Investment
- Small to Medium Enterprise Support
- Cardiff Harbour Authority
- Lifelong Learning
- Leisure Centres
- Sports Development
- Parks & Green Spaces
- Libraries, Arts & Culture
- Civic Buildings
- Events & Tourism
- Strategic Projects
- Innovation & Technology Centres
- Local Training & Enterprise

To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government Sponsored Public Bodies and quasi-departmental non governmental bodies on the effectiveness of Council service delivery.

To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures, which may enhance Council performance or service delivery in this area.

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Q2 Delivery and Performance Report 2015/16

Progress against actions in the Corporate Plan 2015/16

Q2 2015/16 – (399*)

Green 69.92% (279)	Amber 27.32% (109)	Red 2.51% (10)
------------------------------	------------------------------	--------------------------

*Including 1 (0.25%) N/A

Progress against relevant Performance Indicators

Q2 2015/16 – (111*)

Green 55.85% (62)	Amber 29.72% (33)	Red 14.41% (16)
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*Excluding 108 Annual indicators, 38 with no results and 6 N/A

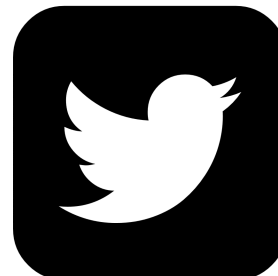
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Q2 Customer Contact



Twitter Media followers
44,792 followers in English
1,742 followers in Welsh
3,946 Likes on Facebook



Complaints	Q1 (14/15)	Q2 (14/15)	Q3 (14/15)	Q4 (14/15)	Q1 (15/16)	Q2 (15/16)
New Complaints Received	682	676	507	533	497	603
Corporate Complaints	675	670	502	547	490	599
Complaints through the medium of Welsh	7	6	5	6	7	4
Acknowledgements not sent within 5 days	26	15	15	12	7	23
Response not sent within 20 days	55	37	33	25	39	34
Compliments Received	434	427	371	328	288	293

Directorate	Received		Responded on time			
	Q1	Q2	Q1	Q1 %	Q2	Q2 %
City Operations	437	567	336	77%	396	70%
Communities	119	127	108	91%	107	84%
Economic	3	2	3	100%	1	50%
Education	11	10	11	100%	6	60%
Governance & Legal	5	1	5	100%	0	-
Resources	17	12	14	82%	11	92%
SS - Adults	5	7	5	100%	5	71%
SS— Children's	0	3	-	-	2	67%
Total	597	729	482	81%	528	72%

During Q2 Waste have received high volumes of member enquiries and Highways have a considerable amount of late responses. The Members Central Team are working with Highways and Waste to reduce this number. Of the 528 enquiries, approx. 20% of these were requests for services, particularly around waste collection and dumped rubbish.

Staff Costs at Quarter 2

Directorate	Staff Budget	Spend to Month 6	% Annual	Overtime budget	Overtime to month 6	Overtime as % of Spend to Month 6	Agency budget	Agency spend to month 6	Agency as % of Spend to Month 6
City Operations	48,654,965	24,885,323	51.15	1,938,645	903,235	3.63	3,815,245	3,393,079	13.63
Communities, Housing & Customer	22,613,050	11,197,251	49.52	327,210	205,895	1.84	142,700	824,507	7.36
Corporate Management	1,725,280	858,647	49.77	0	1,642	0.19	0	29,073	3.39
Economic Development	11,325,230	5,573,978	49.22	375,560	219,917	3.95	424,920	434,592	7.80
Education	21,492,120	10,524,473	48.97	0	72,300	0.69	155,290	298,417	2.84
Governance & Legal Services	3,454,260	1,566,681	45.36	0	2,326	0.15	0	87,647	5.59
Resources	39,645,311	18,238,585	46.00	418,780	251,811	1.38	285,950	514,857	2.82
Social Services	31,791,460	16,125,522	50.72	58,720	384,718	2.39	541,260	1,628,351	10.10
Social Services - Adults	14,935,140	8,125,834	54.41	58,720	345,343	4.25	30,330	294,725	3.63
Social Services - Childrens	16,856,320	7,999,688	47.46	0	39,375	0.49	510,930	1,333,626	16.67
Grand Total	180,701,676	88,970,460	49.24	3,118,915	2,041,844	2.29	5,365,365	7,210,523	8.10

*The Total for Staff Budget excludes the Social Services total but includes the figures for Social Services – Adults and Social Services - Children

Sickness Absence Q2

FTE days

2015/16

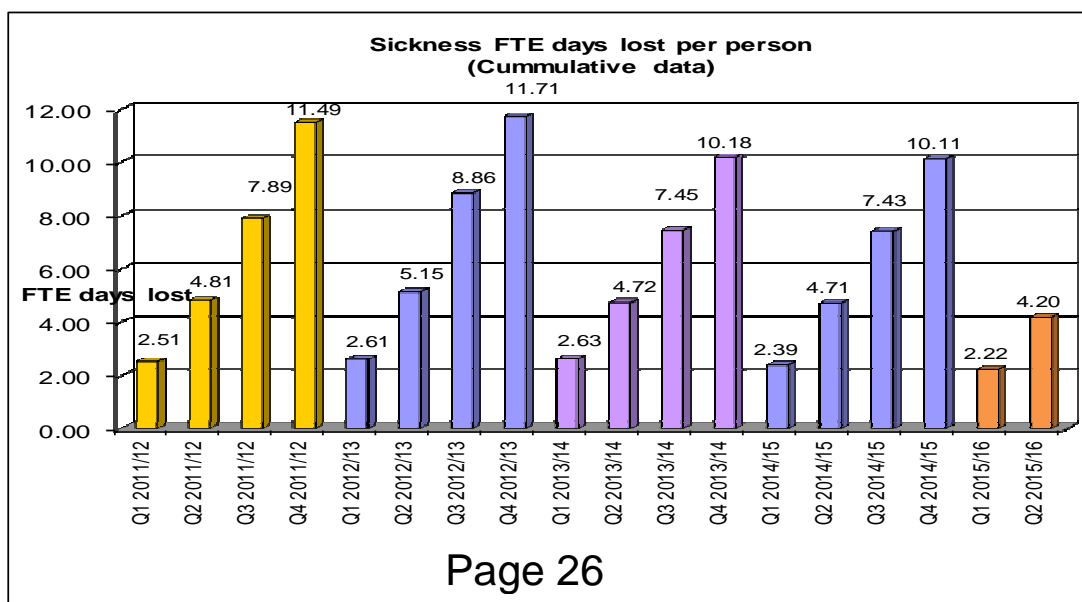
4.2

	Av FTE Numbers	FTE Annual Target	Q2 Days lost	Forecast for 2015/16
City Operations	1,375	13.0	6.2	13.5
Communities	960	9.0	4.5	9.7
Economic	245	6.0	3.3	7.2
Education	750	8.0	3.1	6.8
Education - Schools	5,400	7.8	3.4	7.3
Governance & Legal	85	6.0	2.9	6.3
Resources	927	8.0	3.9	8.2
SS - Adult	650	13.0	6.4	13.8
SS - Children's	350	13.0	8.0	17.3
Total	10,746*	9.0	4.2	9.1

*This figure includes schools based education staff.

The Council's sickness figure target is 9.0 FTE days lost per person, the data for Quarter 2 shows a decrease over the same period last year and was the lowest Quarter 2 figure in 5 years. The current forecast is 9.1 days lost per FTE.

The Attendance & Wellbeing Policy has been reviewed and approved and additional measures are being put in place for a number of directorates following a pilot in Environment last financial year.



Quarter 2

Personal Performance and Development Review Compliance as at 13th October 2015

Organisation Name	PPDR Finalisation of Objectives		
	Total (Head Count)	Completed	Percentage (%)
City Operations	1387	1311	94.5%
Communities, Housing & Customer Services	1153	1075	93.2%
Economic Development	269	247	91.8%
Education & Lifelong Learning (exc schools and central teachers)	911	819	89.9%
Governance & Legal Services	85	74	87.1%
Resources	1366	1293	94.7%
Social Services – Adults	665	628	94.4%
Social Services – Childrens	394	310	78.7%
Social Services (Total)	1059	938	88.6%
Total	6230	5757	92.4%

Information Requests

Requests managed by Central Team

416

requests

88.94%

compliance

Function	FOI		DPA		Overall IR Compliance	
	Due	Compliance	Due	Compliance	Due	Compliance
Communication & Media	3	100.00%	0		3	100.00%
CTS	1	100.00%	0		1	100.00%
Democratic Services	3	100.00%	0		3	100.00%
Econ & Major Projects	5	100.00%	0		5	100.00%
Education	19	63.16%	2	100.00%	21	66.67%
Emergency Management	0		0		0	
Enterprise	0		0		0	
Enterprise Archi	0		0		0	
Environmental Health	20	95.00%	2	50.00%	22	90.91%
Exchequer & Dev	0		0		0	
Facilities Management	1	100.00%	0		1	100.00%
Finance & Procurement	71	94.37%	0		71	94.37%
Health & Safety	0		0		0	
Highways & Transport	61	96.72%	0		61	96.72%
HRPS	25	52.00%	6	83.33%	31	58.06%
ICT	15	53.33%	0		15	53.33%
Improvement & Info	5	100.00%	49	95.92%	54	96.30%
Legal Services	1	100.00%	0		1	100.00%
Planning	15	100.00%	0		15	100.00%
Policy, Partnership	0		0		0	
Project, Design, Dev	1	100.00%	0		1	100.00%
Licensing	20	90.00%	0		20	90.00%
Regeneration Prog	0		0		0	
Risk & Audit	0		0		0	
Scrutiny Services	0		0		0	
Shared Services	0		0		0	
Strategic Estates	1	100.00%	0		1	100.00%
Trading Standards	4	75.00%	0		4	75.00%
Traffic Network Man	2	100.00%	55	98.18%	57	98.25%
Waste Management	29	82.76%	0		29	82.76%
Total	302	86.42%	114	95.61%	416	88.94%

The report shows areas managed centrally by the Improvement & Information Team and those that are managed by Directorates. In Quarter 2 the Council received 538 information requests under FOI & DPA Legislation. The figures within the tables do not reflect Multi-function requests as these encompass a number of areas. The Council handled 46 Multi requests during this period and compliance with these was 78%. There has been an increase in compliance with requests managed by the Central Team & a decrease with requests managed by Directorates. Children's Services requests are also now managed by the Central Team as part of temporary arrangements .

Requests managed by Directorates

76

requests

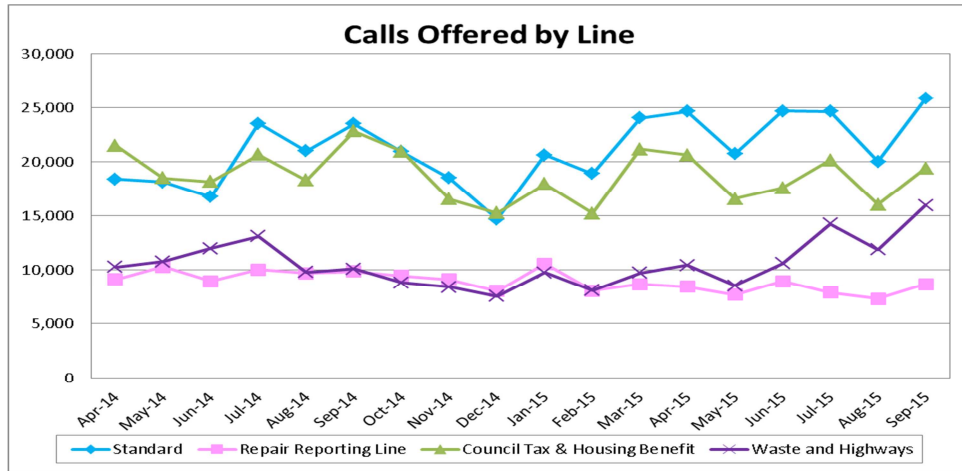
64.47%

compliance

Function	FOI		DPA		Overall IR Compliance	
	Due	Compliance	Due	Compliance	Due	Compliance
Children's Services	15	73.33%	5	80.00%	20	75.00%
Crematoria & Cemeteries	1	100.00%	0		1	100.00%
Culture, Tourism	0		0		0	
Customer Services	3	66.67%	0		3	66.67%
Harbour Authority	0		0		0	
Health & Social Care	13	53.85%	12	66.67%	25	60.00%
Housing	15	60.00%	1	100.00%	16	62.50%
Infrastructure	0		0		0	
Parks & Sports	9	50.00%	1	100.00%	9	44.44%
Registration & Coroners	2	100.00%	0		2	100.00%
Total	57	61.40%	19	73.68%	76	64.47%

Customer Contact

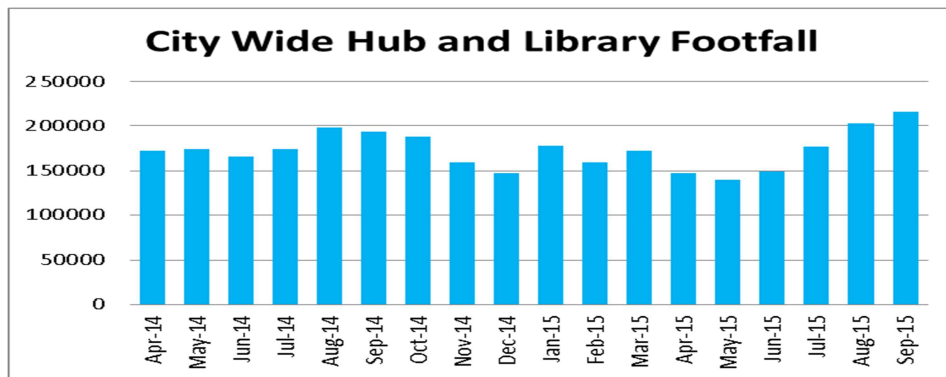
Calls offered to C2C



Update: Call volumes continue to increase with a 7.14% increase from Quarter 1 to Quarter 2. September also saw the highest call volumes since opening, with 26,000 calls offered, however despite the high demand the answer rate target was met this quarter.

2015

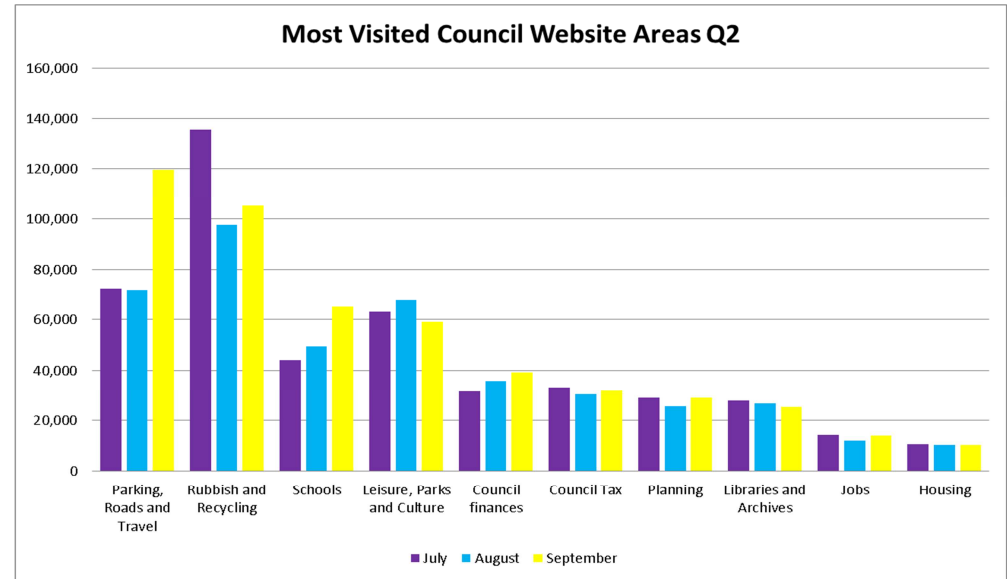
Total Footfall in both Libraries & Hubs across the City.



Update: As advised in Q1, the Central Library temporary closure caused a notable reduction. Services have been offered at the Central Library Hub since the 20th June, the digital floor opened 20th July and opening hours have been maximised to a 6 day week, this reflects well in the footfall figures.

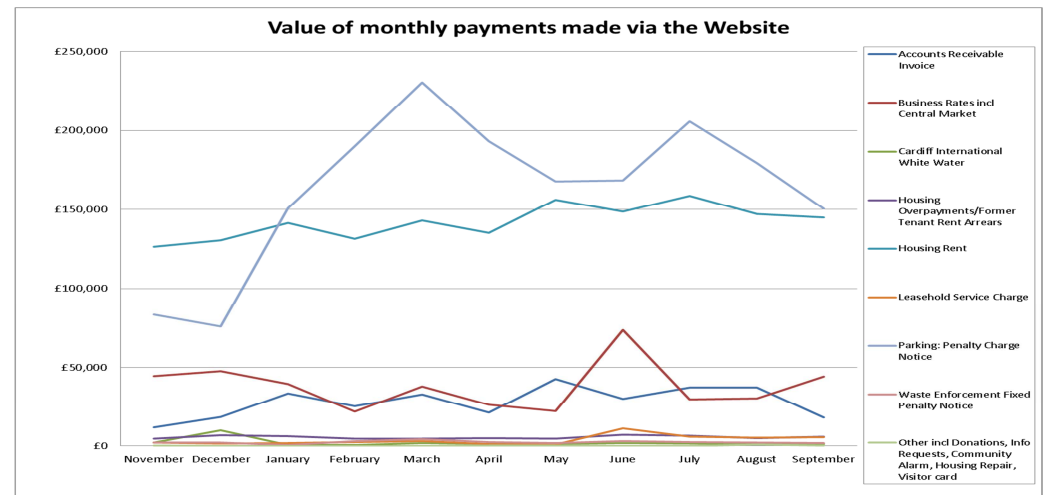
Most visited Website Areas

Most Visited Council Website Areas Q2



This chart shows (in descending order) the comparative levels of interest / page views by customers on the top 10 most viewed sections of the site each month during Quarter 2.

The value of Payments made through the Website



Outcome Agreement Measures for Q2 2015/16

Economic Development

Measure	Q1 15/16	Q2 15/16	Annual Target
Businesses supported	153	76	50
New & safeguarded jobs in businesses supported financially or otherwise by the Council	478	1653	1000
Grade A office space	180,000sqft	Awaiting result	100,000sqft
Grant aid and private sector finance to companies assisted by the Council	£1.044m	£5.130m	£3m

Education, Employment & Training

99% of Into Work service users feel more 'job ready' as a result of completing a work preparation course

Measure	Q2 14/15	Q2 15/16	Annual Target
Number of work experience placements*	531	62	1000

*Welsh Government have ceased Careers Wales funding which is adversely affecting our ability to deliver against target.

92% of Into Work service users who completed an accredited course gained a qualification

Education

Academic year 14/15 final results expected January 2016

Health & Social Care

Measure*	Q1 2015/16	Q2 2015/16	Annual Target
Carers' assessments completed	164	192	550
Care plan reviews	37.78%	56.60%	90%
Average number of working days from completion of care plan to provision of aids/equipment	3.31	3.53	4
% of adults aged 65 or over who are supported with home care services	71.30%	71.42%	72.50%
The number of delayed transfers of care for social care reasons	86	120	140
% of people helped back to independence without ongoing care services	68.49%	72.26%	65%

*4 measures where there is no target set, 1 annual measure, total = 11 measures

Housing

Measure	Q1 2015/16	Q2 2015/16	Annual Target
Boiler upgrades	284	162	550
Roof replacements*	84	74	240
Cladding of flats**	0	0	40

*Roof replacements are progressing well and the remainder are expected to be complete before Christmas.

**The over cladding works at Pennsylvania flats are about to commence with 74 units due for completion by 31st March 2016.

Directorate: City Operations

Director: Andrew Gregory

Councillor: Derbyshire, Patel & Bradbury

Q2 2015/16

Budget	Projected Outturn	Variance	Variance (%)
£52,500,000	£53,216,000	£666,000	1.26%

Number of Employees (FTE)	1,375
Sickness Absence YTD (Days Per Person)	6.2
PPDR Compliance Stage (Permanent Staff)	94.5%

Target Savings 15/16	Projected Savings	Variance	Variance (%)
£12,058,000	£10,395,000	£1,663,000	13.79%

Q2 Progress against Corporate Plan Commitment Actions 2015/16 (Total 42)

Green 45.2% (19)

Amber 52.4% (22)

Red 2.4% (1)

Q2 Progress against Directorate Plan actions (Core Business Priorities) 2015/16 (Total 45.)

Green 82.25% (37)

Amber 82.25% (37)

Red 2.25% (1)

Progress on Challenges Identified Q1 (previous quarter)

Budget Under Achievement – The Directorate has identified savings/income areas and targets for 2016/17. Whilst improvements have taken place, the in-year position is not fully resolved. Work is taking place to identify savings and mitigation, including: Reviewing all income generation options; Removing all non-essential service area non-staff spend; Assessing all spend against reserves.

New Directorate Structure/Governance/ Systems – An Interim Plan has been developed to identify the actions necessary to establish effective management, staff engagement, ADM delivery, budget and performance controls. Further work is needed to roll out these actions effectively throughout the directorate. This work will focus on: Delivering an effective staff development and Communications programme – through team focussed programmes; Reshaping senior management to focus on priority areas; Identifying all key directorate projects and ensuring full project controls as examples.

Ensuring Major Project Delivery: A major project programme and programme board has been established. All major projects have been identified – further detail is required in a number of areas to ensure effective programme management. The programme board will seek to ensure that all the strategically important projects such as ADM, In-house Model, Transport interchange, etc. are delivered and on programme. Also, the aim is to promote a wider culture of programme responsibility and engagement.

ADM: Project Delivery / Defining adequate resourcing – Resources have been identified and are in place. Delivery over the next Full Business Case process is a priority. A programme is in place and being closely monitored. However, in a programme of this significance and complexity will need consistent management and direction particularly over the next 3 months to ensure that the optimum long-term outcomes are achieved for the council.

Managing and reducing sickness absence – Action plans in key areas have been established. This issue is being tackled in two ways; Through effective managing of the Attendance & Wellbeing policy and working on the more fundamental cultural drivers that underpin high sickness absence levels in a few ‘hot spot’ areas.

Q2 Service Delivery

Directorate Delivery Plan

Highways, Traffic & Transportation

Formulation of proposals to develop the Cardiff City Region Metro (Green): Consultants commissioned by partners, including CCC & RCT councils, to commence investigation of further feasibility of options for north west corridor.

Cardiff City Transport Strategy (Amber): Preliminary draft prepared and consultation (issue paper) with all members prepared. Cabinet Report planned subject to approval of LDP that will determine precise way forward.

New Parking Strategy (Amber): Cabinet approval 1/10 for wider consultation to take place. Public consultation will take place for a 6 week period via an online survey, and is due to commence by end of October. Sessions are planned with local members during this time to seek their views.

Strategy for highways and transport asset maintenance (Amber): Consideration of full scope of City Operations Directorate to be established to ensure total service is captured. The street lighting element of the strategy is currently being developed.

New Civil Enforcement and Parking Operations Strategy (Amber): We are currently reviewing technology to ensure that the strategy is aligned with equipment capability.

Cardiff Cycle Strategy (Amber): The process has been reviewed to ensure strategy production ties in with work underway on statutory requirements of Active Travel Act regarding route auditing and mapping. It is anticipated that the strategy report will be considered by Cabinet in March following public/stakeholder consultation.

Invest to save schemes (Amber): Challenge and analysis of Street Lighting manufacturer's information and technologies being undertaken to ensure the most suitable long term and cost effective solution for Cardiff. A test area has been established and focus groups are in place for consultation.

Increase in charging income (Amber): Income from land charges is being monitored, however it is projected that it will not meet target, mitigations being put in place.

Taxis for Pupils with Alternative Learning Needs (ALN) (Amber): A project brief is being agreed with Education. Project Manager to commence meeting with schools to discuss ALN transport.

Strategic Planning

Adopt the Local Development Plan (Green): The Inspector organised two additional Hearing Sessions which took place on 28th & 29th September to further consider remaining matters.

Deliver the LDP by ensuring that its strategy and policies inform the emerging Strategic Development Plan (Amber): Awaiting further instructions from Minister and WG regarding roll-out of SDP measures.

Deliver the necessary infrastructure to support the LDP proposals (Amber): CIL Report included on Cabinet Forward Plan for March 2016 to follow anticipated adoption of Cardiff LDP. Scrutiny of CIL anticipated in November 2015 prior to completion of Cabinet Report.

Waste Management & Street Cleansing

Waste Strategy (Green): City wide communications regarding wheeled bin expansion, reusable sacks and striped bag service have taken place and all have been introduced to plan. The wheeled bin exchange is also underway and will be completed in Q3.

Infrastructure services ADM (Amber): Following a six week delay due to Scrutiny "call in" the Full Business Case work needs to be re-programmed. It is intended to present Cabinet with a report making recommendations in February 2016. The project was re-programmed at the start of Q3 with the objective of still submitting a report for consideration by Cabinet in February 2016.

HWRCs new markets and re-use options (Amber): A revised Cabinet Report was accepted in Q2 that resulted in a delay in implementing some waste minimisation and recycling initiatives. The new tenders are being completed. The report to Cabinet that was agreed permitted us to introduce seasonal opening hours and proof of residency at HWRC to deter use by out-of-county residents. No mitigations possible on these as the decision is required before changes can be implemented. Realistic lead in times to the public need to be adhered to to avoid complaints from residents, e.g. proof of residency, this needs to be communicated to residents at least a month before implementation as they will not be aware of the change date when they arrive at facilities.

Waste strategy & disposal savings (Amber): Savings are being tracked but unsure at this stage if full savings will be made, mitigating actions will be identified where this may be necessary.

Cleansing & Collection savings (Red): We are unable to make the full £600k in year due to the scale of change required and the number of services involved. A plan is in place to deliver the £600k through a realignment of services but mitigations are still needed in year, which officers are working to identify.

Bereavement & Registration

Additional burial space (Amber): New sites have been assessed and there is ongoing liaison with planning on these, there is a potential site however, this is subject to tenancy lease issues, despite this the service continues to take forward proposals in relations to design, planning and advice. A Cabinet Report is currently being prepared in order to gain a decision as to the use of this site for a cemetery.

Energy & Sustainability

Energy Prospectus (Green): The Final Prospectus was agreed by Cabinet in July 2015, recommendations for current projects and delivery mechanisms to be reviewed.

Delivery of live energy projects (Amber): There are possible issues with financial backing for the solar farm. However, additional parties have shown a strong interest in the scheme.

Energy savings (Amber): We continue to work with land lessee to ensure successful delivery of the scheme and to realise saving projections and recover grid connection costs by year end.

Regulatory

Private rented sector (Amber): The report regarding an Additional Licensing Scheme in the Cathays Ward is currently the subject of a call in which is being considered on October 7th the Cabinet do not need to reconsider the report, programme will be realigned in Q3.

Implement the regional service for Regulatory Services (Amber): Population of the new staff structure will be challenging and will result in a number of employees remaining "at risk" at the end of the process or requiring salary protection as part of the TUPE provisions, the budget position is expected to be maintained given vacancy provision.

Leisure & Play

New models of service provision for youth and play services (Amber): Revised proposals are in the process of rapid

consultation. The revised “draft” proposal is currently with senior officers having been discussed with the appropriate Cabinet member and will now start the process for approval/amendment.

Establish the future cultural and leisure needs of the city (Red): We are Unlikely to deliver all financial savings in year due to legal support provision implications, although competitive dialogue process continues with two bidders in both Leisure & the Arts. Options are currently being considered. Report to Cabinet programmed for Feb/Mar 2016. The procurement process does not look as if it will deliver the level of savings that was hoped for and as a result of increasing financial constraints on the Council; there is a fundamental review at senior officer level as to what the Council can sustain. CEO and Director of Resources are raising the issue at political level.

Management

Sickness Absence – Managers are actively working on available statistics relating to triggers and return to work interviews etc. to ensure reduction of absences, current results show 13.5 FTE days lost against a target of 13 FTE days. **PP&DRs** – Finalisation of objectives compliance has met the target of 95%, managers are working through the non-compliance gaps to identify reasoning, in the main this relates to staff absences. **Health & Safety** – Work continuing to finalise Policy & Action Plan in conjunction with newly formed Directorate Working Group, Action Plan progress as at 30/9/15 currently being worked on.

Directorate: City Operations

Key Performance Indicator Data – Q2 2015/16

Q2 Progress against Performance Indicators (Corporate & Delivery Plans) 2015/16 (Total 19.)

Green 21% (4)

Red 10.5% (2)

11 (58%) of the indicators are annual and 2 (10.5%) have no result available at this stage as the data is still being collected, interrogated and verified.

National Strategic Indicators and Public Accountability Measures								
Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
LCS/002b - The number of visits to local authority sport and leisure centres during the year where the visitor will be participating in physical activity, per 1,000 population	8084	Annual Result				9647		
PPN/009 - The percentage of food establishments which are ‘broadly compliant’ with food hygiene standards	91.76%	93%	93.8%			92.00%		G
PSR/004 - The number of additional affordable housing units provided during the year as a percentage of all additional housing units provided during the year	6.54%	1.03%	2.68%			6.60%		G
Cumulative - Likely to meet target by year end								
PLA/006b - The number of additional affordable housing units provided during the year as a percentage of all additional housing units provided during the year	93%	Annual Result				20%		
STS/005b - The percentage of highways and relevant land inspected of a high or acceptable standard of cleanliness	86.80%	Annual Result				90%		
STS/006 - The percentage of reported fly tipping incidents cleared within 5 working days	82.51%	96.2%	96.9%			90.00%		G
THS/007 - The percentage of adults aged 60+ who hold a concessionary bus pass	100%	93.7%	94.6%			94.00%		G
THS/012 - The percentage of principal (A) roads, non-principal (B) roads and non-principal (C) roads that are in overall poor condition	6.80%	Annual Result				Aggregated indicator		
WMT/004b - The percentage of municipal waste	32.5%					30%		

National Strategic Indicators and Public Accountability Measures

Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
collected by local authorities sent to landfill								
Awaiting validation by NRW at year end								
WMT/009b - 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	53.38%	57.1%				58%		
Awaiting validation by NRW at year end								
CAM/037 The percentage change in the average Display Energy Certificate (DEC) score within local authority public buildings over 1,000 square metres	New 2015-16					3%		
New indicator								

Directorate Delivery Plan Indicators

Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
PLA/004 (a) - % of major planning applications determined during the year within 13 weeks	20%	11.8%	14.2%			25%		R
PLA/004 (c) - % of householder planning applications determined during the year within 8 weeks	71.1%	64.8%	68.3%			80%		R
<p>PLA/004 (a & c) - A range of measures to improve performance are currently being developed by the recently appointed Head of Planning to respond to a heavy and complex workload. Additionally, this work includes developing effective mitigating actions to address risks associated with the new Planning Fee Regulations which contain fee refund clauses if applications are determined beyond required timescales. Measures being worked up include the enhanced monitoring and management of live applications, improvements to the application process, maximising the role of pre-applications, improving ways of working within the service, continually exploring best practice, improving stakeholder communication and engagement, enhanced use of digital services/website, and developing greater intelligence on potential applications in the pipeline. Further details will be included in the Council's submission of the Planning Service's Annual Performance Report (APR) to the Welsh Government by 20th November, 2015 and thereafter covered in the preparation of a new Business Plan for the Service which will be prepared in Spring 2016.</p>								

Q2 Challenges Identified

Bereavement Strategy Implementation:
Challenges in identifying potential burial sites including a woodland burial site

Delivering a Balanced Budget in year/2016/17

Ensuring that Robust FBC for ADM is delivered

Managing and reducing sickness absence/Changing Working

Q2 Actions being taken

Issues concerning availability of land have been flagged up. New sites have been assessed and ongoing liaison with planning concerning these. Political issues concerning potential Council site which could be used due to tenancy issues

1: In-year: Currently a shortfall of £660K projected. Detailed work on reserves, all income areas, revenue streams taking place. We are confident a balanced position will be delivered.

2: 2016/17: All saving areas identified. Further work taking place on income identified against ADM/In-house – this will emerge following current work stream reporting. Higher risk areas being modelled to limit concerns. Detailed plans being put in place. Work on programme.

The detailed ADM/In-house project programme for the Full Business Case work is in place. Resources have been identified to support project. The cabinet report timeline has slipped to Feb 2016 as a consequence of the scrutiny call-in, detail and scale of information required to produce robust evidence base. The project is now on programme.

There are two main areas of work. 1. Establishing effective sickness absence policy monitoring and management across the Directorate – with particular

Environment Culture	'hotspot' areas where sickness is on or over 13 FTE days pa. 2. In focussed areas a process of staff/management engagement to develop a more motivated / engaged working environment. This work is on programme.
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Q2 Risk Update – updates provided to financial audit team, synopsis below

Corporate Risk				
Risk Description	Inherent Risk	Residual Risk	Mitigating Actions	Risk Owner
Climate Change and energy security - Unpreparedness to the effects of climate change due to lack of future proofing for key (social and civil) infrastructure and business development, and inability to secure consistent energy supply due to rising energy costs and insecurity of energy supply.	Red	Red	Response up to Q2 forwarded to Risk & Governance Team, in summary this covers position on climate change resilience PI, new energy policy, energy budgets, local power generation and delivering renewables	Andrew Gregory
Food Safety Management - Ineffective food safety management systems including procurement leading to unsafe food at Cardiff Council food business outlets, events & venues	Red	Red / Amber	Response up to Q2 forwarded to Risk & Governance Team: Discussions are ongoing to determine how the E-coli groups can continued to be supported.	Andrew Gregory
Preparation of Local Development Plan - Preparing a plan that is considered 'sound' by the Inspector, within the proposed timetable.	Red	Red / Amber	Response up to Q2 forwarded to Risk & Governance Team covering; additional funding for 2015/16, timetable for LDP, expenditure, changes schedule, key dates for further hearing sessions.	Andrew Gregory
Waste Management - Failure to achieve targets for Landfill allowance, specifically for Biodegradable Municipal Waste and WG statutory Recycling Targets. Ineffective delivery of recycling targets and residual waste treatment.	Red	Red	Response up to Q2 forwarded to Risk & Governance Team, in summary this covers; position on risk of fines, outline waste strategy, sweepings contract, exploration of reuse partners & TEEP business cases, HWRC update, organic waste procurement, interim contract for residual treatment, Project Gwyrdd - financial close, IBA recycling, commercial waste operations update.	Andrew Gregory

Update on Previous Quarters Emerging Risks				
Risk Description	Inherent Risk	Residual Risk	Progress	Risk Owner
Significant risk with financial targets in not being able to be met	Red	Red	Mitigation strategy in place and financial position is improving.	Andrew Gregory
Should timescale for procurement on Leisure Centres alternative management not be met, savings would be delayed or not achieved.	Red	Red	Actively working through milestones and mitigating actions to progress matters	Andrew Gregory

Directorate: Communities, Housing & Customer Services

Director: Sarah McGill

Councillor: Graham Hinchey, Susan Elsmore, Peter Bradbury, Dan De'Ath

Q2 2015/16

Budget	Projected Outturn	Variance	Variance (%)
£46,675,000	£46,651,000	(£24,000)	(0.05%)

Number of Employees (FTE)	960
Sickness Absence YTD (Days Per Person)	4.5
PPDR Compliance Stage (Permanent Staff)	93.2%

Target Savings 15/16	Projected Savings	Variance	Variance (%)
£1,643,000	£1,442,000	£201,000	12.23%

Q2 Progress against Corporate Plan Commitment Actions 2015/16 (Total 15)

Green 80% (12)

Amber 20% (3)

Q1 Progress against Directorate Plan actions (Core Business Priorities) 2015/16 (45)

Green 73% (33)

Amber 27% (12)

Progress on Challenges Identified Q1 (previous quarter)

Successful Launch Central Library Hub – Project completed on schedule, Hub opened with services offered from 20th July 2015. Opening hours maximised with a return to a six day opening for the building and access available to all services. The Digital Floor was officially opened on 30th July which attracted high profile interest to the new co-located services. Communications are in development to promote the refurbished facilities in order to maximise revenue opportunities.

Implementation of the Waste Restriction Changes – As the implementation moves into phase 2, call and email volumes have increased significantly, as anticipated. Delays with bin and bag deliveries have also led to customers seeking clarity from C2C, further increasing call volumes. In order to meet current demand, all 8 temporary staff will be retained throughout October and early November.

Reducing the time taken to let vacant properties remains a key challenge – A project is currently being piloted where properties on notice are inspected and if only minor repairs are required, they are being re-let promptly without going through the whole void process. In addition to this, new tenants are being offered decoration allowance and minor repairs are being done in occupation. It is planned to extend this project over the next quarter.

Q2 Service Delivery

Budget

There are some in year budget implications as a result of the implementation of Hubs and the Alarm Receiving Centre. Part year effect of the saving will be realised in 2015/16, and in order to balance the Directorate's position additional income and savings have been identified. Overall the Directorate is currently projecting a small potential surplus.

Directorate Delivery Plan

Alarm Receiving Centre – The centre went live on the 24th of August, a week later than originally planned as additional training was provided to the staff. The centre is now streaming back live footage in all blocks except Litchfield House, this is due to an issue with the transmission network and work is ongoing to resolve this as soon as possible. Staff are currently being fully trained on the functionality of the software. There have been various expressions of interest for the centre to provide this service for partners; this is encouraging to deliver the challenging income targets.

Into Work - CV builder has been created and staff have been trained and audited to enable clients to use the system in the job club. Guaranteed interviews have been carried out in Ely and Caerau Hub, Butetown Youth Pavilion and St Mellons Enterprise Centres. 'More than a Jobs Fair' was held on the 9th of September with over 1,750 visitors and more than 30 employers attending.

Customer Contact Centre - During quarter 2 call volumes in C2C increased by 7.14% from quarter 1 and during September, C2C experienced its busiest month since opening handling 64,464 of the 69,839 calls offered. Despite this demand increase, the answer rate has met target this quarter.

Travelling Library - The branding on the new travelling Library is complete and it is now fully operational. The Travelling Library Service Consultation Document has been drafted and will be going out to all schools in quarter 3

Hubs - Construction work commenced on STAR Community Hub in July. Central Library Hub opened following refurbishment. Building works are in progress at Rumney Partnership Hub. Construction work has commenced on St Mellons Hub Phase 1. Planned completion of Grangetown Hub is delayed due to works needed to be carried out by Welsh Water before progress can continue; revised completion date is December 2015.

Housing Repairs – Infosuite performance management software is now being used to produce monthly performance information, including appointments made and kept for each operative, travel time and unproductive time.

Housing Partnership Programme – Final tenders have been submitted for the programme, which are being analysed at present.

Management

Health & Safety - Following the completion and publishing of the H&S Action Plan, a summary is being pulled together to make the information as accessible as possible.

PPDR Status – The PPDR compliance remains high, with dip sampling carried out across the Directorate which showed consistent high quality.

Sickness – Regular monitoring takes place within the directorate with: •monthly directorate performance report weekly manager updates on sickness, open RTW and any missed stages • Case management to any Long-term sickness and Assistant Director Management Team meetings.

Directorate: Communities, Housing & Customer Services

Key Performance Indicator Data – Q2 2015/16

Q2 Progress against Performance Indicators (Corporate & Delivery Plans) 2015/16 (Total 45*)

Green 78% (25)

Amber 16% (5)

Red 6% (2)

*6 annual, 2 are not targeted and 5 no data

National Strategic Indicators and Public Accountability Measures								
Performance Indicator	Result 14/15	Q1 Position	Q2 Position	Q3 Position	Q4 Position	Target 15/16	Year End 15-16	R.A.G.
LCL/001b - The number of visits to Public Libraries during the year, per 1,000 population	8376	1,217	2,800			6,000		A
The physical visits to Libraries has shown a small decrease against the same quarter in 14/15, there is however an improved performance against Quarter 1 of 15/16. The continued closure of Grangetown Library and Roath Library is a contributory factor. Additionally, there continued to be a temporary reduction in services at Central Library due to the building work, the services at Central Library Hub returned to full accessibility at the beginning of August. On-line visits and visits for Llanishen will be added in Q4.								
PSR/002 - The average number of calendar days taken to deliver a Disabled Facilities Grant (Certified Date)	197	Annual Result				200		
This NSI is calculated using the "certified date". A local indicator based on the "payment date" is monitored quarterly by the Directorate.								

Directorate Delivery Plan Performance Indicators								
Performance Indicator	Result 14/15	Q1 Position	Q2 Position	Q3 Position	Q4 Position	Target 15/16	Year End 15-16	R.A.G.
The average number of calendar days taken to deliver a Disabled Facilities Grant	193	214	240			200		R
There are a number of factors currently affecting performance; these include lack of available Capital funds to carry out works as well as delays caused by client choice and suspension of process, which are shown as open during the suspended time if re-opened. The figures are currently showing the effects from work being put on hold in the previous financial year due to a lack of Capital funds. A report is currently being written about the Capital fund situation to avoid recurrence and the situation is being closely monitored.								
The number of library materials issued, during the year, per 1,000 population	4,727	967	2,132			5000		A

Directorate Delivery Plan Performance Indicators

Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
The result demonstrates an improved performance when compared to the Quarter 1 results for 2015/16. However the continued closure of Grangetown Library for a refurbishment and Roath Library for Health and Safety considerations has affected the Quarter 2 performance. Additionally during the building and preparation work for the Central Library Hub there was a temporary reduction in stock availability with stock being placed in storage. Central stock is now fully accessible to customers.								
The percentage of all potentially homeless households for whom homelessness was prevented for at least 6 months	New indicators are currently being developed following new legislation with a significant change in direction							
The average number of days that all homeless households spent in Other forms of temporary accommodation								
Percentage of C2C Calls Answered	86.9%	92%	93%			93%		G
BNF/002 (a)CTR : Speed of processing: Average time for processing new Council Tax Reduction claims	18.9	19.94	18.42			21		G
BNF/002 (a)HB : Speed of processing: Average time for processing new Housing Benefit claims	21.3	22.95	21.0			21		G
Vacant Local Authority stock as percentage of overall stock (as at the end of the period)	1.55%	1.53%	1.35%			1.5%		G
The total amount of rent lost due to lettable units of permanent accommodation being empty as a percentage of the total rent debit for the financial year.	2.12%	1.8%	1.9%			2%		G
The total amount of rent lost due to lettable units of permanent accommodation being empty was £332,200.41 in Quarter 2; a cumulative total of £617,428.36 Year to date which compares favourably to the cumulative figure for the same time in 2015/16 was £715,007.63.								
HLS/014 : The average number of calendar days taken to let lettable units of permanent accommodation during the financial year	112.7	103	94			Q1-90 Q2-80 Q3-70 Q4-60		A
Figures continue to improve despite some longer term void properties being let in Q2. The quick turnaround voids project continues to develop and is helping to improve the letting time whilst reducing void costs and rent loss.								

Q2 Challenges Identified

Alarm Receiving Centre – finalisation of work with the transmission network so the service is fully operational.

The launch of Rent Smart Wales – Rent Smart Wales is due to launch during Quarter 3, success relies on all work streams progressing in accordance with the project plan and the development of the website which will manage the customer facing and staff interactions.

SAP Customer Relationship Management System – the continuation of the phased rollout.

Voids - Reducing the time taken to let vacant properties remains a key challenge.

Q2 Actions being taken

The existing 5Ghz Cambrium link will be left in as a secondary transmission path while a new light OFCOM licensed link at 80Ghz is added. The change in frequency from 5Ghz to 80Ghz will resolve the transmission issues between Litchfield House and Channel View.

New staff are scheduled to start at the end of October, documentation to support the processes is well developed and the infrastructure is mostly in place. The marketing campaign, led by Welsh Government, is established. Regular meetings are being held with the IT development company to manage the development of the website

The roll out is supported by ongoing project management and staff training to ensure the successful roll out of the SAP CRM.

There is ongoing progress with hard to let properties which have remained vacant for some time. The Assistant Director for Housing & Communities will continue to chair the fortnightly Voids Working Group. A Senior Manager will also to be appointed on a temporary basis to resolve this issue.

Disabled Facilities Grants- Issues with the number of days taken to deliver the grants.	A Report on Capital Availability is being produced. Further work on data analysis and a review of contractor performance is being carried out as part of the Building Maintenance Review. Ensuring the best use of funds available to be directed to those most in need and where this will have the biggest preventative impact for future demands on social care services
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Q2 Risk Update

Corporate Risk				
Risk Description	Inherent Risk	Residual Risk	Mitigating Actions	Risk Owner
Welfare Reform - That the Council cannot meet its statutory obligations with the increased demands and reduced budgets placed upon it by the Welfare Reform Bill 2011,	Red	Red	<ul style="list-style-type: none"> Welfare Reform Group is working well in coordinating multi-agency activity Discretionary Housing payments are being used to top up the benefit claims of those most affected Tenants adversely affected are being supported to exchange properties, tenants given greater choice on new properties and reducing void rent loss 	Sarah McGill

Emerging Risks Identified this Quarter				
Risk Description	Inherent Risk	Residual Risk	Mitigating Actions	Risk Owner
Increasing homelessness and rough sleeping in the city <ul style="list-style-type: none"> the increase in rough sleepers includes EEA Nationals who are affected by changes to rules for benefits and housing 	Red/Amber	Amber/Green	<ul style="list-style-type: none"> A temporary increase in resource to the Outreach Team Consideration of additional units for the Rough Sleeper project to assist those with complex needs To hold hostel vacancies for identified individuals currently sleeping rough or those with complex needs To work with the Salvation Army to develop a pilot scheme for an intervention and reconnection service for EEA Nationals. 	Sarah McGill

Update on Previous Quarters Emerging Risks				
Risk Description	Inherent Risk	Residual Risk	Progress	Risk Owner
UKs Budget Announcement <ul style="list-style-type: none"> Benefit Cap reduced to £20,000 (previous risk profiled on £23,000) Freeze on benefits Tax credit changes Budget settlements on areas where there is devolved powers in Wales is currently not known, including 1% cut to social housing rents 	Red	Amber/Green	<ul style="list-style-type: none"> Information has been submitted to Welsh Government showing the anticipated affect of Council rents being reduced. 	Sarah McGill

Directorate: Economic Development

Director: Neil Hanratty

Councillor: Phil Bale, Peter Bradbury, Graham Hinchey

Q2 2015/16

Budget	Projected Outturn	Variance	Variance (%)
£2,312,000	£2,881,000	£569,000	24.61%

Target Savings 15/16	Projected Savings	Variance	Variance (%)
£1,653,000	£1,336,000	£317,000	19.17%

Number of Employees (FTE)	245
Sickness Absence YTD (Days Per Person)	3.3
PPDR Compliance Stage (Permanent Staff)	91.8%

Q2 Progress against Corporate Plan Commitment Actions 2015/16 (Total No.19)

Green 95% (18)

Amber
5% (1)

Q2 Progress against Directorate Plan actions (Core Business Priorities) 2015/16 (Total No.14)

Green 86% (12)

Amber 14%
(2)

Progress on Challenges Identified Q1 (previous quarter)

- Addressing in-year projected over-spend** - Pro-active work is being undertaken across the Directorate to continue to reduce the end of year projected over-spend. Regular meetings have been arranged where issues will continue to be discussed and the projected over spend monitored with a number of plans established. The proposed implementation date for the alternative delivery model (ADM) in respect to St. David's Hall and New Theatre will have an impact on end of year figures.
- Ensuring delivery of 15/16 savings targets** - Close budget monitoring is in place to ensure an end of year balanced position where possible.
- Delivering Property Strategy outputs including capital receipts** - The Corporate Asset Management Plan (CAMP) was considered by Cabinet in June. Property activities are monitored by the Corporate Asset Management Board to ensure they align with priorities in the CAMP. Partnership meetings progressing.
- Explore the Heritage Trust approach to the Castle and other heritage assets** - The scope of the proposed Cabinet report has been extended as a result of the change of use of the Old Library and opportunities recently identified in respect of the wider Cardiff Collection. Additional support for the development of this project has been secured through the Regional Tourism European Fund and a report will be presented to Cabinet early in the New Year.
- Progress the Cultural Venues ADM procurement** - Tender Requirements and descriptive documents issued. It is expected that the Officer Decision Report for the detailed solution is to be completed by November so that an invitation to submit final Tenders can be issued.
- Progressing the City Deal** - Regional partners have been assembled from all local authorities in South East Wales, working with Welsh Government and advisors to develop a City Deal for the Cardiff City Region. A position statement has been submitted to HM Treasury and governance arrangements established. Work is progressing to develop an 'in principle' submission to the UK Government early November.
- Develop detailed costings and scheme for a new bus station** - Preparing high level reports for the delivery of a new Central Bus Interchange in advance of submitting a planning application.

Q2 Service Delivery

Directorate Delivery Plan

- Deliver, with partners, 200,000 square feet of Grade A office as part of a new business district in the vicinity of central station between March 2014 and March 2016** - Construction of 135,000 sqft of grade A office accommodation is progressing at Central Square. Planning permission is in place for a HQ of 180,000 sqft and due to commence this year. 80,000 sqft has been completed at Capital Square with a further 80,000 sqft under construction. Legal & General has signed a £400m deal with Rightacres to back the redevelopment of Cardiff city centre representing a vote of confidence from the business community.
- Implement a delivery strategy to progress a Multi-Purpose Arena by March 2016** - A Business Case has been developed for delivering the Multi Purpose Arena, it has been agreed that the Council should progress investigations to deliver the development with partners. Proposals will be reported to Cabinet in December.
- Develop a heritage quarter proposal for the Civic Centre, including a plan for the refurbishment of City Hall by March 2016** - Advisors have been appointed to complete the Cathay's Park Urban Design Framework by the end of the year.
- Establish a new Tourism Development Strategy by June 2015 with a view to doubling the value of overnight tourism**

in the city-region by 2020 - Cardiff has been awarded £180,000 from Visit Wales as part of the Welsh Government Regional Tourism Engagement Fund. Cardiff will lead on the delivery of 5 tourism activity projects collaboratively with S.E. Wales Local Authorities and private stakeholders aimed at developing visitor numbers and tourism promotion across the region.

5. **Deliver the approved Property Strategy** - During Q2 the gross internal area of buildings in operational use reduced by 102,484 sqft, and the maintenance backlog reduced by £2.2 million. This was achieved through various means including, the demolition of Llanedeyrn High School and the imminent community asset transfer of community centres at Maes-y-Coed and Pentreban.

Investment Property Model - New models for managing investment property have been explored and an options report prepared for Consideration by Cabinet in November.

6. **Delivery of an Office Rationalisation programme to deliver £1m of revenue savings and £6m of capital receipts by December 2017** - Arrangements to vacate staff from 5 operational buildings is progressing well to achieve savings by 2017. Charles Street and St David's House have been vacated. A relocation strategy has been agreed to vacate the Howardian Centre in Q3 and Global Link in Q4. Vacation of the Mynachdy Centre is likely to be pushed into the New Year while relocation options are being considered.

Functions & Retail Catering Units - The independent operational review of Cardiff Castle, Mansion House, Retail Catering, Sales & Marketing support and City Hall is scheduled for completion mid October. Improvements around menu's and retail operation have already been implemented as part of the review process. Improvements will continue to be implemented in year alongside a wider review of the operation.

7. **Establish the future cultural and leisure needs of the city and ensure the sustainable delivery of cultural and leisure infrastructure and services at less cost through new operating models, by June 2016** – The procurement process for an ADM is on track for completion at the end of the year.

Management

Health and Safety – No accidents or incidents reported during the quarter. Regular consultation with trade union representatives established. Sickness absence levels remain below the annual target.

Welsh Bilingual Service – Managers of front line teams have assessed their Welsh language requirement. Linguistic Assessments to be progressed.

Directorate: Economic Development

Key Performance Indicator Data – Q2 2015/16

Q2 Progress against Performance Indicators (Corporate & Delivery Plans) 2015/16 (Total No. 32)*

Green 22% (7)

Amber 12% (4)

*including 14(44%) annual performance indicators and 7(22%) with results to follow

Performance Indicator	Result 14/15	Position Q1	Position Q2	Position Q3	Position Q4	Target 15/16	Year End 15-16	R.A.G.
Grow membership of the Cardiff Business Council to 1,000 members (by 2016) (cumulative figure)	120	164				1,000		A
The Council has embarked upon a review of the organisation in anticipation of future funding shortfalls and the City Deal opportunity.								
Number of Attendances At Cardiff Castle	274,285	76,636	99,926			285,000		A
It is worth noting that to date we achieved income of £2,170,716 against a target of £2,094,037 – indicating some success in increasing the yield per customer. We have reduced number of Welsh banquet tours to re-focus on higher yielding functions. We are confident attendance figures will improve in Q3 with RWC and Half Term.								
Cardiff Castle Total Income	£3,367,462	£994,751	£1,175,965			£3,105,000		G
Retained Income For St David's Hall and New Theatre	£1,269,492	£403,782	£594,676			£1,337,500		G
At Q2 we are on track to achieve the annual target.								
Customer Satisfaction Level For Cardiff Castle	NPS+53	NPS+25	NPS+47			NPS+50		A
The NPS (Net Promoter Score) score used at Cardiff Castle only takes account of those who would score 9 or 10 out of 10 in								

Performance Indicator	Result 14/15	Q1 Position	Q2 Position	Q3 Position	Q4 Position	Target 15/16	Year End 15-16	R.A.G.
recommending a visit to the site. Unlike, traditional percentage scoring, this measure seeks to increase the number of loyal customers who recommend or promote the venue.								
City Centre Footfall	38.98m	9.4m	10.9m			41,707,500		G
Q2 target achieved upturn in footfall enhanced by major sporting activities in the City.								
Investment Portfolio Income	£4.023m	£1,073m	£1,915m			£4.3m		A
At quarter 2 we received £1,915m of the £4.3m income target.								

Q2 Challenges Identified

1. City Deal – maintain momentum to progress the City Deal.
2. Central Square – Assisting Rightacres to gain approval from the BBC to commence their building then trigger completion of Central Square and the Bus Station.
3. South of the Station – Complete the assessments and options available to the Council for the delivery of a 15,000 seater Arena and associated developments.
4. ISV – Assist the developer to deliver the new Ice Arena in Q4 together with a clear plan on the remaining developments on the Sports Village and retail site.
5. Funding – complete and deliver employment and jobs output where there has been significant cuts in WG funding / grants.

Q2 Actions being taken

1. Work with regional partners to complete an ‘in principle’ proposal for submission in November.
2. Complete high level reports on the bus station scheme and costings for Cabinet by Q3.
3. Progress investigations to deliver the development with partners and present proposals to Cabinet in December.
4. Continue to monitor and assist the development of the Ice Arena
5. Submit Capital Cardiff bid and review funding options.

Directorate: Economic Development

Councillor: Phil Bale, Peter Bradbury & Graham Hinchey

Director: Neil Hanratty

Q2 Risk Update

Corporate Risk

Risk Description	Inherent Risk	Residual Risk	Mitigating Actions	Risk Owner
Asset Management - Ensure effective operation of the Council’s Asset Management Board to achieve effective strategic oversight and identified savings.	Red	Red / Amber	(Q2): Prepare report on future strategy and direction of the Council’s Non Operational Investment Estate to be considered by Cabinet in November 2015.	Neil Hanratty

Update on Previous Quarters Emerging Risks

Risk Description	Inherent Risk	Residual Risk	Progress	Risk Owner
Arts Venues (Q4) Should timescale for procurement on Arts Venues alternative management not be met,	Red	Red	(Q4) Sound control by project board and team to drive procurement but ultimately	Kathryn Richards

savings achievement would be delayed.			dependent on procurement timetable and content of bids. (Q1) Progressing the procurement process, completed invitation to submit outline solutions. (Q2) Procurement process on track, tender requirements and descriptive documents issued.	
BID (Q4) - Restructuring of the City Centre Management team and delay with the implementation of BID.	Red / Amber	Green	(Q4) Agreed viable business model to take the BID process forward. Funding secured internally to progress a BID approach to City Centre Management. Advisors appointed to undertake BID application process (Q1) Task Group established to develop a baseline analysis of service delivery. (Q2) Work is progressing to develop a BID to take to a ballot position by the end of the year. Representatives from the local business community have been appointed as Chair and Vice Chair the BID task group.	Ken Poole
Advertising Strategy (Q4) - Local Member/Planning/Highways/Safety approvals not achieved leading to delay in generating income through the advertising strategy to offset savings	Red / Amber	Green	(Q4) Planning applications submitted. Income expected to be realised in time for next financial year. (Q1) Terms agreed for 1st site, which is awaiting planning approval. (Q2) Large Format Digital Advertising Strategy in place.	Ken Poole

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Economy & Culture Scrutiny Committee Update

CV BUILDER

- To assist with the demand for CV requests in Job Club, a CV Builder database was created to help those customers who are more computer-literate.
- Into Work Advisors and Digital Inclusion Officers are able to provide guidance on how to complete the CV fields, which in turn generates an auto-populated CV.
- The CV is automatically saved and emailed to the customer, ready to be uploaded on to their Universal Jobmatch account.
- To date, over 300 people have used the CV builder.

GUARANTEED INTERVIEWS

- In partnership with Communities 4 Work, the Advisors at Ely & Caerau Hub held a recruitment event for the Fairwater Co-op, guaranteeing interviews for those who regularly attended Job Club.
- Jobseekers received advice and guidance including help with job applications, and interview techniques. Jobseekers also gained an insight in to what the employers required from its staff as well as the appropriate skills needed to work for the company
- Other recruitment events across the City included John Lewis in the Grangetown / Butetown area, Wyevale Garden Centre in the East of Cardiff and Rent Smart Wales in the City Centre.
- There have been 40 jobseekers that have received guaranteed interviews as part of this scheme.

MORE THAN JUST A JOBS FAIR...

- On Wednesday 9th September in St David's Hall, the Into Work Advice Team in partnership with Job Centre Plus, hosted "More than just a Jobs Fair". The event incorporated 33 employers from different sectors including: Costa Coffee, Copthorne Hotel, Conduit, Virgin Media, Kier Construction and Ludlow St Healthcare. 10 partner organisations were invited to promote their services including: Careers Wales, Princes Trust, NHS and Communities.
- Help and advice was on hand from Council stands including; the Money Advice Team who provided live budgeting help and back to work better off calculations, and the Into Work Advice team held a drop in CV clinic, Universal Jobmatch help and taster training sessions.
- Over 1750 jobseekers attended the event.

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**CITY & COUNTY OF CARDIFF COUNCIL
CYNGOR DINAS A SIR CAERDYDD**

ECONOMY & CULTURE SCRUTINY COMMITTEE

3 DECEMBER 2015

CARDIFF CAPITAL REGION CITY DEAL - UPDATE

Purpose of report

1. To provide Members with background to the Cardiff Capital Region City Deal proposals in advance of receiving an update on the proposals submitted to the UK Government.

Background

2. A report, 'City Deal Implications and Next Steps', was taken to Cabinet on 2 April 2015. This report provided an update on recent work on a City Deal for Cardiff and sought authority to progress with a formal City Deal proposal.

Report found at:

<http://cardiff.moderngov.co.uk/documents/s3347/Item%205%20Cabinet%202%20April%202015%20City%20Deal.pdf>

The following decisions were made, as recommended in this Cabinet report:

- (1) officers proceed with the negotiation of a City Deal for Cardiff with UK Government, Welsh Government and surrounding authorities and return to Cabinet with a further report before submitting a final proposal.
- (2) engagement with surrounding authorities in SE Wales take place to develop an appropriate local governance structure to support delivery of a City Deal for Cardiff.
- (3) Authority be delegated to the Chief Executive to:

- a. identify a budget and to appoint Specialist Advisors to support delivery of a detailed City Deal proposal for Cardiff.
 - b. commission a review of the Cardiff Business Council model to put in place appropriate arrangements to support a successful City Deal proposal.
3. A City Deal is an agreement between government and a city (or city region). The deals give new freedoms, powers and tools to help the cities go for growth, including:
 - More power to invest in and create economic growth.
 - More freedom to support local businesses.
 - More power over public money, budgets and resources to drive infrastructure development.
 - Powers to deliver the skills training local people and businesses need.
4. In terms of the City Deal mechanism, an agreement is reached where national government provides money to a city or city region for investment in return for a guarantee of economic growth. The aim being to deliver economic growth, support growth in employment and boost infrastructure investment. The priorities to be covered by a City Deal are to be determined by the areas themselves, having been subjected to business case testing.
5. The 2 April Cabinet report states that *“A City Deal for Cardiff could unlock significant new money to support capital investment in major infrastructure priorities for the city-region. However, every deal done to date has been bespoke with the eventual size and scope of the deal dependant on a number of important local factors.”*¹
6. Examples of the anticipated benefits delivered through other UK City Deals are:
 - Greater Manchester’s £2.75bn Transport Fund is expected to deliver up to £3.6bn in annual GVA² and 37,000 jobs;

¹ ‘City Deal Implications and Next Steps’, Cabinet, 2 April 2015 - paragraph 5

² GVA measures the contribution to the economy of each individual producer, industry or sector

- Leeds City Region’s £1.45bn Transport Fund is expected to deliver up to £2.6bn in annual GVA and 23,000 jobs;
- Glasgow City Region’s £1.13bn fund is expected to deliver up to £2.2bn in annual GVA and 28,000 jobs.

7. The City Deal submission will be made not just for the City of Cardiff, but for the Cardiff Capital Region. The following local authorities have committed to the City Deal and have contributed to the proposals within the submission:

Blaenau Gwent	Bridgend
Caerphilly	Cardiff
Merthyr Tydfil	Monmouthshire
Newport	Rhonda Cynon Taf
Torfaen	Vale of Glamorgan.

8. Cardiff Council led on much of the early work to investigate and establish the appropriate arrangements to push forward with a Cardiff Capital Region City Deal. Papers published for the Vale of Glamorgan Cabinet meeting of 27 July 2015 evidence the dialogue undertaken by the Leader and Chief Executive of Cardiff Council in seeking the involvement and support of the 9 other local authorities listed above.

- **Appendix A** - Cardiff Leader, Cllr Bale’s letter to other local authority leaders – building on comments made by the Chancellor of the Exchequer on 18 March 2015 announced in his Budget Statement that “We’re giving more power to Wales. We’re working on a City Deal”.
- **Appendix B** - Secretary of State, Rt Hon Stephen Crabb MP’s letter to Council leaders seeking input to drive forward City Deal ambitions.
- **Appendix C** – Exchange of letters between Cardiff Council Leader and Jane Hutt AM, Minister for Finance and Government Business, in relation to the commitment from Welsh Government to the Cardiff Capital Region City Deal.
- **Appendix D** – Cardiff Chief Executive, Paul Orders letter to Heads of Paid Service in 9 local authorities listed above requesting requesting that

consideration be given to a proposal to formulate a City Deal proposal for submission to the UK Government.

9. At the Economy and Culture Scrutiny Committee meeting held on 10 September 2015, Members were informed that support had been given from all 9 local authorities. The minutes state the following:

The Leader advised that all 10 Councils are now signed up to take the deal forward; the City Deal Project Board had been established which The Leader chairs; the position statement had been submitted to the UK Government last week and we are now in Competitive Framework; KPMG are the consultant partners to meet help meet deadlines.

With regards to projects, there are no specific projects identified as yet, projects would be sought across the region; the Independent Commission will evaluate the GDA uplift of each project, to get more economic benefit to the region as a whole, there needs to be a balance so that everyone benefits and its fair.³

10. The 2 April Cabinet report outlines that the following actions and ‘building blocks’ were required from local authorities in order to deliver a coherent City Deal proposal:⁴

- Agreeing appropriate and sound objectives and minimum outcomes.
- Identification of resources to support the development of the City Deal as well as to contribute to the overall fund and cover the cost of financing requirements.
- Operationally effective governance that also fits in with the UK Government’s agenda in terms of the devolution of powers to city-regions.
- Effective tools for prioritisation that provide rigour to the expected levels of impact in terms of jobs and GVA, as well as reducing the risk that local authorities are exposed to in terms of meeting the required objectives to trigger payments from the UK Government.

³ Economy and Culture Scrutiny Committee Minutes, 10 September 2015
<http://cardiff.moderngov.co.uk/documents/g2366/Printed%20minutes%2010th-Sep-2015%2016.30%20Economy%20Culture%20Scrutiny%20Committee.pdf?T=1>

⁴ ‘City Deal Implications and Next Steps’, Cabinet, 2 April 2015 - paragraph 15

- Functional economic geography consistent with effective decision making and ensuring that a scale where net impact can be maximised
- An element of local financial risk taking that shows the commitment of partners.

11. The 2 April 2015 Cabinet report makes it clear that the success of the City Deal submission will depend on the commitment given by Welsh Government to back the proposals and to provide match funding; *“it is clear there will need to be a significant role for Welsh Government in taking forward a City Deal proposal not least to ensure adequate funding is available to match any new monies provided by Central Government. There may also be a role for EU funding as part of the mix.”*

12. A written statement from Jane Hutt, Minister for Finance and Government Business in November 2015 gives this commitment from the Welsh Government;

The Welsh Government fully supports this proposal and has indicated that it would commit up to £580 million to support the establishment of a Cardiff Capital Region Fund. The proposal seeks equivalent matched funding from the UK Government. This funding, in addition to the local authorities’ own contribution, would take the total value of the Fund to nearly £1.3 billion. This is a significant investment in the Cardiff Capital Region. [...].

A successful City Deal bid will be important for the development of the Cardiff region and will need to be developed in such a way that all parts of the region stand to benefit. A successful bid may also pave the way for developments elsewhere in Wales.

The full statement from Jane Hutt can be found at **Appendix E**.

13. It was announced on 12 November 2015, that the leaders of the ten participating local authorities had submitted an outline proposal for a City Deal to the UK Government.

Local Business Involvement

14. Local businesses have played an important role in developing and driving forward City Deal proposals across England and in Glasgow. The same will be required in Cardiff, and Members of the Committee will be aware that the 2 April Cabinet meeting gave approval for a review of the Cardiff Business Council model, developing appropriate arrangements for a regional body to support a successful City Deal proposal.
15. Members of this Committee scrutinised the results of the Cardiff Business Council review at the 15 October 2015 meeting of the Economy and Culture Scrutiny Committee. The Chair's letter capturing the Committee's point of view can be found at **Appendix F**. The response received from the Leader on 12 November 2015 can be found at **Appendix G**.
16. The view of the Committee can be summarised in the following extract from **Appendix F**;

The Cardiff City Region needs the backing of businesses across the whole region, allowing businesses to shape local policy decisions, through a structure that isn't simply a talking shop or extra layer of governance, but rather is responsible for marketing and promoting the region and attracting inward investment. We cannot however escape the feeling that this is something the Cardiff Business Council has been achieving for Cardiff as a city, and should be built upon for the wider city region. The preference of this Committee would not be the creation of a new 'Leadership Board' but rather the transformation of Cardiff Business Council into a regional body, incorporating the need to be representative of the requirements and expertise across all ten local authority areas.

Next Steps

17. The Council's press release in relation to the City Deal can be found via the following link - <http://www.cardiffnewsroom.co.uk/index.php/archive/411-cardiff-capital-region-city-deal-takes-significant-step-forward>. It states that:

The Leaders believe a City Deal for the Cardiff Capital Region represents a unique opportunity to transform the local economy to improve local productivity, create new jobs and reduce worklessness.

The vision is to reduce the gap of the gross value added economic measure (GVA) between the city region and the UK average, and to improve the balance of opportunity that exists right across the region.

It will also support the development of a more regional approach across the Cardiff Capital Region, and local authorities will be looking at how they can deliver some services and functions – such as business support and strategic planning.

18. The formal submission to the Welsh Government begins the process of finalising the detailed proposition for projects it is hoped the City Deal will support. The Leaders and Heads of Paid Service in all involved local authorities will now work with Welsh Government and UK Government to formulate a detailed City Deal proposal. The Council press release noted above states the following:

To ensure that projects comprising the City Deal make a difference they will be prioritised according to their impact in terms of GVA and jobs, as well as ensuring that their impact is felt across the CCR.

19. The City Deal announcement of 12 November 2015 has received extensive media coverage. Below are links to online coverage from Wales Online and the BBC.

Wales Online

<http://www.walesonline.co.uk/business/business-news/city-deal-bid-cardiff-capital-10429957>

BBC

<http://www.bbc.co.uk/news/uk-wales-politics-34788614>

20. Within the Comprehensive Spending Review Autumn Statement, the Chancellor, George Osborne, seems to have committed support to the Cardiff Capital Region City Deal. In his announcement, Mr Osborne said:

“The Government is working with the Cardiff Capital Region and the Welsh Government to deliver an ambitious City Deal for Cardiff.

The Spending Review announces an in principle commitment to contribute to an infrastructure fund for the Cardiff region.”⁵

Previous Scrutiny

21. In scrutinising the Draft Corporate Plan 2015 – 2017 at the 5 February 2015 meeting, Members of the Economy and Culture Scrutiny Committee explored whether the Great Western Cities Partnership might conflict with City Deal aspirations. The letter written to the Leader contained the following:

You will be aware that Members also questioned whether the Corporate Plan will need to be updated in light of recent announcement of a partnership with Newport and Bristol under the banner of ‘Great Western Cities’. Members expressed concerns that this would seemingly conflict with the Capital City Region plans, which are mentioned in the Draft Corporate Plan. We welcome your assurances that there will be no conflict, and that this partnership will complement to the aspirations for the Cardiff City Region and will help generate increased interest in Cardiff and South Wales from a business perspective. We look forward to the upcoming announcement from the City Region in respect of this, and look forward to scrutinising this arrangement in the future.

22. The response from the Leader, received on 17 April 2015 stated:

I believe there is no conflict whatsoever between developing stronger relationships with adjacent cities in the UK context, alongside the development of

⁵ Source – Wales Online <http://www.walesonline.co.uk/business/business-news/12bn-city-deal-cardiff-capital-10501562>

a stronger Cardiff Capital City region partnership. The Great Western Cities, as outlined in the Statement of Intent, focusses on specific collaboration projects where there is scope for complimentary benefits. Also, in the context of a City Deal for Cardiff, raising the profile of the Great Western Cities will help demonstrate to Central Government that a ‘Severn Powerhouse’ is an important driver of GVA growth in the UK, comparable to the much talked about ‘Northern Powerhouse’.

23. At their 15 May 2015 meeting, Members of the Economy and Culture Scrutiny Committee considered Quarter 4 Performance for Economic Development. Discussions took place around the City Deal, and the following was included in the Chair’s letter to the Leader following the meeting:

In relation to the City Deal, discussion took place around whether, following your visit to Glasgow, any lessons had been learnt from Glasgow’s experience, given that Glasgow are also operating within a devolved Government setting. The Committee recommends that this dialogue continues and that you consider inviting a representative from Glasgow to provide more detail of Glasgow’s City Deal experience when setting out comprehensive plans for the City Deal for Cardiff.

24. At its 4 June 2015 meeting, the Economy and Culture Scrutiny Committee considered the Economic Development Directorate Delivery Plan 2015-2017. During the meeting, Members discussed the progress in developing proposals for a City Deal and the following was included in the Chair’s letter to the Leader:

Members wish to note the comments made with regard to the City Deal proposals and the ongoing negotiations with surrounding local authorities. At the meeting you stated you were hopeful that all nine surrounding local authorities would give their support to the Cardiff City Deal, with Cabinet reports going through the relevant processes within each Council. We look forward to seeing whether your efforts to outline the benefits of the City Deal are successful and hope the backing of all our neighbouring authorities is received.

25. At their 10 September 2015 meeting, Members of the Economy and Culture Scrutiny Committee considered Quarter 1 Performance for Economic Development. Again discussions took place around the City Deal, and the following was included in the Chair's letter to the Leader following the meeting:

[...] we are pleased that all ten local authorities making up the Cardiff Capital Region have made the commitment to participate in negotiations with the UK Government. Members recognise that at present we are not able to discuss specific projects within the City Deal, but that projects are currently being submitted from across the region, all of which will be independently evaluated, ensuring that the projects taken forward will deliver the maximum economic benefit for the region as a whole. We are assured that the governance arrangements in place are suitable, with Cardiff taking a leading role in some areas, and drawing on resources and expertise from all the authorities involved. We are confident that this approach can deliver a City Deal proposal that will cover, and benefit the whole Cardiff Capital Region. Again, we look forward to testing the proposals coming forward as the City Deal negotiations progress.

Way Forward

The Leader, Councillor Phil Bale has been invited and may wish to give a statement. The Chief Executive, Paul Orders and Director for Economic Development, Neil Hanratty will also be in attendance to present on the next steps for the City Deal and to answer Members' questions.

Legal Implications

26. 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

27. 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

28. The Committee is recommended to give consideration to the information attached to this report and received at this meeting and to submit any recommendations, observations or comments to the Cabinet Member.

Marie Rosenthal

Director of Governance and Legal Services

27 November 2015

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**SWYDDFA'R ARWEINYDD
OFFICE OF THE LEADER**



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Fy Nghyf / My Ref: CM30628
Dyddiad / Date: 2nd April 2015

Annwyl / Dear Leader,

I am sure you have seen the Chancellor's comments regarding the City Deal in his recent Budget Speech. This is undoubtedly fantastic news for South East Wales and paves the way for us to open discussions about the size and scope of a City Deal. The announcement also means that we no longer need to submit an expression of interest ahead of the General Election. There is, however, a need to maintain momentum in the process, specifically to make sure that any proposal is considered as part of the next Government's Spending Review.

In respect of this I have taken a report to today's Cabinet meeting that outlines that the City Deal process is one that is led in partnership. Crucially the experience from elsewhere is that the biggest City Deals are led by consortia of local authorities. I think that the period ahead of the General Election gives us an opportunity to get a better understanding of how a City Deal could be developed regionally, and to start thinking about the governance arrangements we would need to put in place. Would you be available over the next few weeks to meet with myself and our Chief Executive to discuss proposals and look at next steps?

As was agreed at our previous Leaders meeting on 6th March, it would also be worthwhile for all South East Wales Leaders to meet again shortly so that we can start to shape the proposal. I've spoken with Cllr Mel Nott already about this idea and he is happy for this to be put in place - if you are agreeable with this approach I will ask my office to look at finalising suitable dates.

A copy of today's Cabinet Report, which includes an overview of regional governance arrangements and an update on KPMG's work is attached for your information. If you would like to discuss this further, I will ask my office to contact yours to put a meeting in place with you and your Chief Executive.

Yn gywir,
Yours sincerely,

**CYNGHORYDD / COUNCILLOR PHIL BALE
ARWEINYDD, CYNGOR DINAS CAERDYDD
LEADER OF THE CITY OF CARDIFF COUNCIL**

ATEBWCH I / PLEASE REPLY TO:

Swyddfa'r Arweinydd, Ystafell 525, Neuadd y Sir, Glanfa'r Iwerydd, Caerdydd CF10 4UW
Ffôn (029) 2087 2500 Ffacs (029) 2087 2599

Office of the Leader, Room 525, County Hall, Atlantic Wharf, Cardiff CF10 4UW
Tel (029) 2087 2500 Fax (029) 2087 2599

Page 59

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Wales Office
Swyddfa Cymru

Rt Hon Stephen Crabb MP
Secretary of State for Wales

Gwydyr House
London, SW1A 2NP

Tŷ Gwydyr
Llundain, SW1A 2NP

1 Caspian Point
Cardiff Bay, CF10 4DQ

1 Pwynt Caspian
Bae Caerdydd, CF10 4DQ

www.walesoffice.gov.uk

Cllr Neil Moore
Leader
Vale of Glamorgan Council

Email: nmoore@valeofglamorgan.gov.uk

Ref: 223 SUB 15

5 June 2015

Dear Neil,

City Deal for Cardiff Capital Region – A Partnership Meeting

I am writing to invite you to a meeting to discuss our shared ambition for the Cardiff Capital Region City Deal project announced at Budget in March this year.

I am pleased that initial discussions held between Cardiff Council and the UK Government prior to the election were positive and I am keen to ensure that we do not lose momentum around this excellent opportunity. Now would seem an opportune moment to agree the collective aspirations and needs of the wider region; using these to shape a robust Deal that delivers the biggest economic and social impact it can.

It is my view that the Deal needs to be lead by local partners and I want us to be able to work together to establish a common vision that each council in the region can sign up to and work with as the City Deal develops. The commitment of local partners, including the Welsh Government, will be fundamental to the sustainable long term success of the project and I plan to similarly meet with them and the local business community.

Your input is vital to driving the development of this project and I sincerely hope that you will be able to join me, along with your fellow council leaders on Thursday, 11 June at Caspian Point. My office will be in touch with yours to discuss further details.

Yn ffaith,

Rt Hon Stephen Crabb MP
Secretary of State for Wales

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**SWYDDFA'R ARWEINYDD
OFFICE OF THE LEADER**

Fy Nghyf / My Ref:
Dyddiad / Date:

CM30543
4th June 2015



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Jane Hutt AM
Minister for Finance and Government Business
Welsh Government
Cardiff Bay
CF99 1NA

Annwyl / Dear

As you are aware the City of Cardiff Council has been working in partnership with other Local Authorities to develop a proposal for a City Deal for the Cardiff Capital Region. As part of these discussions the Local Authorities in the region are looking to bring together a fund to support this process. The fund will provide additional resources to aid the development of a robust business case to present to the UK Government later this year. Local Authority Leaders also agreed on 1 May 2015 to establish monthly meetings as part of a new Cardiff City Deal Project Board, into which a Regional Chief Executives Group would report.

Council Leaders in the Cardiff Capital Region are also in agreement that Welsh Government has a critical role in this process, with any City Deal being shaped by the specific devolution settlement in Wales. In this context, it was felt that it was important to extend an invitation to a Welsh Government representative to attend our Project Board meetings as an observer to aid the City Deal negotiation process.

In addition, local authorities are currently in the process of establishing a new fund of up to £500,000, on a pro-rata basis, to contribute financially towards the bid development process. Leaders also wished to establish whether Welsh Government would be in a position to also contribute to this fund, which it was felt would send a strong statement of intent to other public and private sector partners.

I would therefore be grateful if you could confirm if you are happy for a Welsh Government representative to attend these meetings, and also whether the Government would consider a financial contribution towards the new bid development fund.

Meanwhile, please let me know if you require any further information.

Yn gywir,
Yours sincerely,

**CYNGHORYDD / COUNCILLOR PHIL BALE
ARWEINYDD, CYNGOR DINAS CAERDYDD
LEADER OF THE CITY OF CARDIFF COUNCIL
ATEBWCH I / PLEASE REPLY TO:**

Swyddfa'r Arweinydd, Ystafell 525, Neuadd y Sir, Glanfa'r Iwerydd, Caerdydd CF10 4UW
Ffôn (029) 2087 2500 Ffacs (029) 2087 2599

Office of the Leader, Room 525, County Hall, Atlantic Wharf, Cardiff CF10 4UW
Tel (029) 2087 2500 Fax (029) 2087 2599

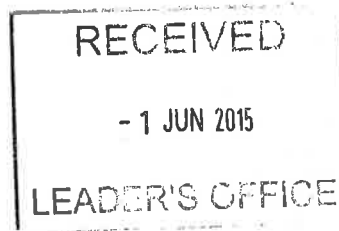
Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JH/00289/15

Cllr Phil Bale
Cardiff County Council
Room 525
County Hall
Atlantic Wharf
Cardiff
CF10 4UW



29 June 2015

Dear Phil,

Thank you for your letter of 4 June. I welcome the collaborative approach that the Leaders are taking to develop the proposal further. The participation of Local Authorities from across the broader Cardiff Capital Region is likely to be an important success factor for a City Deal.

As you know, I am committed to building on our early positive engagement and welcome the opportunity for a Welsh Government representative to attend your project board in an observer capacity. This will build on the working relationships already being established by our officials.

It is my intention that the Welsh Government will take an important and active role in shaping a City Deal proposal. As part of this I have agreed that my officials will be working closely with your project teams, as well as internally across the Welsh Government to support the development process. The Welsh Government will also, alongside the UK Government, have a more formal role in agreeing the proposal when it is completed. Given this, whilst I do not feel it would be appropriate to make a financial contribution to the development fund I remain committed to working collaboratively to deliver a strong proposal for Wales.

Yours sincerely,
Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

English Enquiry Line 0300 0603300
Llinell Ymholiadau Cymraeg 0300 0604400
Correspondence: Jane.Hutt@wales.gsi.gov.uk

Printed on 100% recycled paper

From: Jones, Rhian (Chief Executive's Office) <R.K.Jones@cardiff.gov.uk>
Sent: 21 May 2015 15:10
To: steve.j.merritt@rhondda-cynon-taff.gov.uk; Thomas, Rob; chief.executive@merthyr.gov.uk; Darren.mephram@bridgend.gov.uk; chrisburns@caerphilly.gov.uk; david.waggett@Blaenau-Gwent.gov.uk; Alison.Ward@torfaen.gov.uk; Will Godfrey; paulmatthews@monmouthshire.gov.uk
Cc: McCarthy, Menna; Bobbett, Angela; Jones, Lorraine; Jo Richards (Management Support); thomasb1@caerphilly.gov.uk; Denise.Cotterell@blaenau-gwent.gov.uk; Richards Janice; Tracy Richards; Blagojevic, Jane
Subject: City Deal
Attachments: Pro-rata calculations.xlsx; City Deal Blank Report.doc

Dear colleagues

At the meeting of Leaders and Chief Executives to discuss the City Deal held on 1st May it was agreed that we would convene a meeting of Chief Executives to progress some of the work underpinning the development of a City Deal. It was also agreed that we need to maintain momentum to ensure we are not left at the back of the queue when decisions are made in Whitehall.

Our Leader has since written to all South East Wales Leaders seeking support for the City Deal bid process, outlining some of the next steps in the process, as well as the levels of resources that would be required to deliver a proposal. Councils agreed that they would go through their appropriate decision making processes, and to this end a template report was circulated (attached with a copy of the pro-rata distribution of costs). Please let me know if you need any support from our officers and I will be only too happy for them to support you as part of this process.

In addition for financial resources a further aspect we need to consider when we meet is the need to get a thorough understanding of our collective expertise that we can use to support the development of the proposal. Bringing together this expertise will help us to make more efficient use of our resources as well as being a good opportunity for officers to collaborate as part of this process. I am keen that we get as much officer engagement as part of the process not only to make sure we make the most of the expertise that we have, but also to build appropriate relationships to drive the process forward.

I will ask my PA Rhian to make contact shortly and arrange a meeting for all Chief Executives at the nearest possible opportunity. Please let me know if you have any further questions or queries and I will be only too happy to help.

Regards
Paul

Paul Orders

Chief Executive of the City of Cardiff Council
Prif Weithredwr Cyngor Dinas Caerdydd

Room 502, County Hall, Atlantic Wharf, Cardiff. CF10 4UW
Ystafell 502, Neuadd y Sir, Glanfa'r Iwerydd, Caerdydd. CF10 4UW

Tel/Ffôn: **02920 872401**
Mobile/Symudol: **07583 724391**
Fax/Ffacs: **02920 877081**
Email/Ebost: Paul.Orders@cardiff.gov.uk

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Mae'n bosibl bod gwybodaeth gyfrinachol yn y neges hon. Os na chyfeirir y neges atoch chi'n benodol (neu os nad ydych chi'n gyfrifol am drosglwyddo'r neges i'r person a enwir), yna ni chewch gopio na throsglwyddo'r neges. Mewn achos o'r fath, dylech ddinistrio'r neges a hysbysu'r anfonwr drwy e-bost ar unwaith. Rhowch wybod i'r anfonnydd ar unwaith os nad ydych chi neu eich cyflogydd yn caniatáu e-bost y Rhynggrwyd am negeseuon fel hon. Rhaid deall nad yw'r safbwyntiau, y casgliadau a'r wybodaeth arall yn y neges hon nad ydynt yn cyfeirio at fusnes swyddogol Cyngor Dinas a Sir Caerdydd yn cynrychioli barn y Cyngor Sir nad yn cael sel ei fendith. Caiff unrhyw negeseuon a anfonir at, neu o'r cyfeiriad e-bost hwn eu prosesu gan system E-bost Gorfforaethol Cyngor Sir Caerdydd a gallant gael eu harchwilio gan rywun heblaw'r person a enwir.

	Pro Rata
Blaenau Gwent	£23,366
Bridgend	£47,034
Caerphilly	£59,989
Cardiff	£117,736
Merthyr Tydfil	£19,751
Monmouthshire	£30,832
Newport	£49,076
Rhondda, Cynon, Taff	£79,037
The Vale of Glamorgan	£42,582
Torfaen	£30,597
Column Total	£500,000

Calculations

local authority	Total	%	£ pro-rata
Blaenau Gwent	69800	5%	£23,366
Bridgend	140500	9%	£47,034
Caerphilly	179200	12%	£59,989
Cardiff	351700	24%	£117,736
Merthyr Tydfil	59000	4%	£19,751
Monmouthshire	92100	6%	£30,832
Newport	146600	10%	£49,076
Rhondda, Cynon, Taff	236100	16%	£79,037
The Vale of Glamorgan	127200	9%	£42,582
Torfaen	91400	6%	£30,597
Column Total	1493600	100%	£500,000

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Written Statement - City Deal for the Cardiff Capital Region

Jane Hutt AM, Minister for Finance and Government Business

This Written Statement provides an update on the development of a proposed City Deal for the Cardiff Capital Region.

I have previously informed the Assembly that the ten local authorities in the Cardiff Capital Region have been working together to produce a proposal for a City Deal. This follows the development of City Deals in England and the agreement to a Glasgow City Deal in Summer 2014. Since the Glasgow announcement, I have repeatedly pressed the UK Government for a City Deal that provides economic benefits and advantages for Wales and reflects the structure of the Deal that was reached in Glasgow. In March 2015, the UK Government indicated that it would open negotiations with the Cardiff Capital Region. Discussions have been ongoing since then.

Last week the Cardiff Capital Region local authorities reached an important milestone, with the submission of its headline proposal to the UK Government. The goal of a City Deal would be to reduce the GVA gap between the city region and the UK average. The proposal that was submitted focuses on connectivity, digital, innovation, skills and worklessness and business support and regeneration. There will now be a period of engagement with the UK Government to explore the headline proposal.

The Welsh Government fully supports this proposal and has indicated that it would commit up to £580 million to support the establishment of a Cardiff Capital Region Fund. The proposal seeks equivalent matched funding from the UK Government. This funding, in addition to the local authorities' own contribution, would take the total value of the Fund to nearly £1.3 billion. This is a significant investment in the Cardiff Capital Region. Although the projects that will be funded from this Fund have not been confirmed at this stage, given the importance of connectivity to economic development, it is likely that transport infrastructure will feature.

A successful City Deal bid will be important for the development of the Cardiff region and will need to be developed in such a way that all parts of the region stand to benefit. A successful bid may also pave the way for developments elsewhere in Wales.

<http://gov.wales/about/cabinet/cabinetstatements/2015/citydealcardiff/?lang=en>

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Fy Nghyf / My Ref: NRS/RM/PB/15.10.15

Dyddiad / Date: 2 November 2015

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



Dear Councillor Bale

ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 OCTOBER 2015

Review of Cardiff Business Council

Thank you for attending the October meeting of the Economy and Culture Scrutiny Committee, where we considered the Cardiff Business Council review. I will be grateful if you could also pass on the thanks of the Committee to Neil Hanratty and Mark Lang for their presentation and for addressing the questions arising during the meeting. The Committee had a number of comments and observations following the meeting, which are set out below.

Report

Before addressing the specific points we have relating to the Cardiff Business Council review, the Committee wishes to express its disappointment at only receiving the report produced by Publicani during the meeting itself. This really should not be happening and isn't acceptable given the fact that the report itself is dated September 2015. We accept that the report is a confidential draft, with no status, and therefore could not be issued with the publicly available Committee papers, however we feel that the maturity of Scrutiny arrangements in Cardiff could have afforded the opportunity for Members to consider printed copies of the report on a confidential basis in advance of the meeting.

While this topic was rigorously tested at the meeting, I cannot escape the feeling that a more informed and effective scrutiny could have been undertaken if Members were given the appropriate levels of information. I am mindful that there are a number of upcoming items due for pre-decision scrutiny and would ask that you ensure this situation is not repeated in the future. Similarly, Members are left questioning exactly what is going to be taken to the Cabinet for a decision. It wasn't made explicitly clear to us at the meeting what proposals and recommendations are going to be made, but

rather vague suggestions of a way forward were given, and again we feel this has limited the help and guidance we are able to provide through this scrutiny.

Review Process

With regard to the review methodology, Members question the scope of the review, and whether the findings can truly be representative of the needs and requirements of the region when only 26 interviews took place. Given the importance of this review and the proposals going forward for a regional 'Business Leadership Board', we would expect a more substantial and structured interview process to have taken place. Not knowing who had been interviewed, it was difficult for us to judge whether interviewees would be likely to understand the successes Cardiff Business Council has delivered for Cardiff, and how this could be built upon on a regional basis.

Members are also left questioning the fullness of this review given the aim to establish a new organisation representative of the whole Cardiff City Region. We question how a review reporting to the Cabinet of the City of Cardiff Council, and subsequent decisions made, can be enough to create a new regional Business Leadership Board – we feel a decision and commitment will be formally required by all participating local authorities, please could you confirm whether this has been factored into the necessary timings? The Committee is of the opinion that the City Deal proposals and negotiations need active business participation now, demonstrating to Whitehall that both the public and private sector in the Cardiff City Region are driving forward these proposals, and that the process of debating, negotiating and establishing a new regional board from scratch will jeopardise the success of our bid.

Cardiff Business Council

In relation to the proposals going forward, the Committee feels that the right principles are being emphasised. The Cardiff City Region needs the backing of businesses across the whole region, allowing businesses to shape local policy decisions, through a structure that isn't simply a talking shop or extra layer of governance, but rather is responsible for marketing and promoting the region and attracting inward investment. We cannot however escape the feeling that this is something the Cardiff Business Council has been achieving for Cardiff as a city, and should be built upon for the wider city region. The preference of this Committee would not be the creation of a new 'Leadership Board' but rather the transformation of Cardiff Business Council into a regional body, incorporating the need to be representative of the requirements and expertise across all ten local authority areas.

Cardiff Business Council has, in the opinion of this Committee, delivered a great deal of success for Cardiff since its establishment in July 2013, working closely with the Council's Economic Development team to attract inward investment and businesses to Cardiff, developing a scale model of the whole city which has showcased Cardiff

around the world, and securing events such as the IAAF World Half Marathon. We cannot see the logic, or indeed support any proposal to fully abandon or dissolve this organisation, which has achieved so much on a minimal budget. As already mentioned, the preference of this Committee would be to see Cardiff Business Council transformed onto a regional basis, or failing this, for Cardiff Business Council to carry on independently, attracting businesses to Cardiff and feeding into the regional agenda.

This point of view also leads us to question why the review of Cardiff Business Council has been done so publically and over such a long period of time. We feel the effectiveness of Cardiff Business Council to attract local membership growth and inward investment has been jeopardised by the review of the last four months, as businesses will not want to commit to an organisation that may cease in the coming months.

Business Leadership Board Proposals

With regard to the proposals for the creation of a Cardiff City Region 'Business Leadership Board', the Committee has a number of questions or issues that we feel were not made clear during the meeting and that we wish to be clarified. We recognise that they might be answered within the Publicani report, but as stated above, with under an hour of exposure to the report itself we found ourselves at the end of the meeting unclear at the full contents of the report,. We certainly feel that these points are important for the Cabinet to understand in making a decision:

- The cost and funding proposals for the Business Leadership Board are unclear.

From the meeting Members infer that the cost will be higher than the running costs of Cardiff Business Council – which the Council cannot afford to continue supporting. Members feel that any decision made by the Cabinet should be informed by an indicative estimate of the funding required from Cardiff Council. The Committee understands that the regional board will be funded by the Welsh Government and all ten participating local authorities, however we feel there must also be buy in from the private sector. As previously mentioned, we fear the support of the Cardiff business community may have been lost through this review and doubt cast over Cardiff Business Council.

- All local authorities involved are still awaiting confirmation of the Local Government Capital and Revenue Settlement. Does this make any current commitment of public sector financial contributions a risk?
- Is the involvement of businesses from a local authority area dependant on the commitment of that local authority to the Business Leadership Board? For

example, if for whatever reason a local authority pulled out of funding the Business Leadership Board, would businesses in that area be excluded from ongoing or future discussions?

- How will the Business Leadership Board membership be kept to a manageable number?

The Publicani review suggests a board of 10-12 members, however we cannot understand how this number will be achieved when including representation for local business forums across the ten authorities, organisations such as the FSB and CBI, senior local authority officers, Welsh Government officials and political representatives. While we recognise why all these organisations require representation, we fear that such a large committee will encounter problems in getting decisions made.

- What are the mechanisms proposed to measure the success of Business Leadership Board, and how will the organisation be held to account and by who?

The achievements, aims and performance measures for Cardiff Business Council are set out in the Economic Development Directorate Plan, and are monitored through Quarterly performance reports. We feel clear performance and monitoring arrangements must also be in place for any organisation replacing Cardiff Business Council.

- At what stage will the public sector take a back seat and allow for this organisation to be driven forward by private sector partners from across the Cardiff City Region?

The Committee is concerned that it appears the proposed Business Leadership Board is being driven forward by local authorities and the Welsh Government. While public sector involvement is crucial in the development and support of the proposed leadership board, we question whether it should instead be fronted by the private sector. We are conscious that in order for the private sector to fully commit to this organisation, there must be clear role descriptions and autonomy to push initiatives forward. We also have reservations over deciding the structure of any new organisation before the business community is fully committed to it.

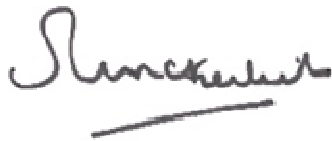
- Are you confident that the proposed Business Leadership Board can be established in time to support and push forward in negotiations for the City Deal?

As a final point the Committee wishes to emphasise the importance of these developments for Cardiff. We would not want historic issues or relationships clouding judgement when it comes to deciding what is best for our city. Members consider that

whatever differences might have emerged in the past, it is essential for leading figures to work together to plan out what is best for Cardiff on both a local and regional basis, and ensure that this is achieved through the new arrangements for a regional business engagement structure.

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 Neil Hanratty – Director of Economic Development
Cabinet Support Office
Members of the Economy and Culture Scrutiny Committee.
Nigel Roberts – Chairman, Cardiff Business Council

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**SWYDDFA'R ARWEINYDD
OFFICE OF THE LEADER**

Fy Nghyf / My Ref: CM32632

Eich Cyf / Your Ref:

Dyddiad / Date: 12th November 2015

Cllr Rod Mckerlich
C/O Member Services
County Hall
Atlantic Wharf
Cardiff
CF10 4UW



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Annwyl / Dear Rod

Economy & Culture Scrutiny - 15 October 2015

Thank you for your letter dated 2nd November 2015 enclosing the response of the Economy and Culture Scrutiny Committee of the 15th October 2015 to the presentation given by myself, Neil Hanratty and Mark Lang on the review of Cardiff Business Council.

I have read your comments and observations with interest and set out below my response in line with the structure of your letter:

Report

I do understand your disappointment at only gaining sight of the Publicani report at the beginning of the meeting. I can assure you there was no intention to withhold information unnecessarily from the Committee. There was an element of confidentiality due to the timing of the meeting which I understand led officers to circulate the document at the meeting. I have subsequently asked that in future documents are circulated in good time before Scrutiny meetings to give Members proper time to digest information. On that basis I can assure you that in respect of upcoming items due for pre-decision Scrutiny, the relevant papers will be with you in advance of the meeting.

Review Process

I note the Committee's concern regarding the number of interviews that informed the review. As explained by Mark Lang at the meeting, 26 detailed interviews with a range of key stakeholders encompassing current Board members, representatives of the wider business community, senior representatives of the surrounding local authorities and other stakeholders represents a creditable pool of interviewees. In addition, more people were invited to take part in the interviews but chose to decline. Furthermore, the interviews only formed part of the overall analysis. The appointed consultants are extremely experienced in this area of policy and informed their findings through a sharp literature review of the local, regional, and national policy context, and a review of relevant business engagement initiatives in the UK and internationally.

ATEBWCH I / PLEASE REPLY TO:

Swyddfa'r Arweinydd, Ystafell 525, Neuadd y Sir, Glanfa'r Iwerydd, Caerdydd CF10 4UW
Ffôn (029) 2087 2500 Ffacs (029) 2087 2599

Office of the Leader, Room 525, County Hall, Atlantic Wharf, Cardiff CF10 4UW
Tel (029) 2087 2500 Fax (029) 2087 2599



In terms of the fullness of the independent review, I would like to re-iterate that the report was never intended to provide a review of the performance of the Cardiff Business Council, but rather was intended to determine a suitable way forward given the new and emerging financial and governance context. I am extremely mindful that the shape, role and constitution of the new organisation, if it is backed by our local partners, will need to be decided with our local partners, i.e. it will no longer be solely a decision for the City of Cardiff Council. What will remain in our sole control will be the level of funding the Council allocates towards a business engagement organisation and it is clear that the current level of funding is not sustainable and may need to reduce even further at the end of this financial year. It is therefore extremely responsible for the Council to be considering alternative models, and the timing is right, with only four months remaining to the end of the financial year.

Furthermore, whilst at present there is no formal agreement with Welsh Government and surrounding authorities of the Cardiff Capital Region (CCR), discussions have taken place, and I believe the City Deal collaboration does present a perfect opportunity to move the discussion on over the next few months. Following on from the recent submission to UK Government on City Deal, we will shortly be entering into a phase where the engagement of business will be crucial to the development and delivery of our bid.

Cardiff Business Council

I note the Committee's preference to encourage the transformation of the current Cardiff Business Council into a regional body involving representatives and expertise across all 10 local authority areas. The recommendations of the report to Cabinet are to put in place appropriate arrangements that will manage the transition to a new model. The creation of a city-region business organisation means there will now be a much broader range of stakeholders and contributors that will decide the final shape and role of the new organisation. It would therefore be extremely presumptuous for the City of Cardiff Council to believe that it has the right to decide these details and as such the recommendation is to work on the development and implementation of a transition plan. The Council recognises the good work of the Cardiff Business Council to date and will aim to try to minimise disruption and maintain momentum.

I note your concerns in relation to the timing of the review and its impact on the Cardiff Business Council's ability to attract local membership growth. Whilst the Business Council has been successful in achieving its marketing objectives and in engaging private sector involvement and contributions towards those marketing objectives, the base costs of operating the company have, since its inception, been met almost entirely from the Council's direct funding, supported by resources from the Economic Development service. It is clear there would not be sufficient funds to sustain the organisation if and when the Council needs to reduce its funding further. It was therefore absolutely appropriate to review the situation, in good time, to try to find a new and sustainable model for business engagement with a broader range of stakeholder contributors. The review has taken time because it has relied on the engagement of a broad range of stakeholders and because it was conducted over the summer months.

Business Leadership Board proposals

In respect of the detailed questions, the Consultant's report was never intended to address this level of detail. In the key recommendations, it is proposed that the City of Cardiff Council should develop an Action Plan to manage a smooth transition from the current arrangement to the new model. This is also the key recommendation in the Cabinet report and will be the next stage in the process. It is important to note that in a city-region context, where contributions to running costs will potentially come from Welsh Government and the 10 local authorities of the CCR the anticipated cost to the City of Cardiff Council should be significantly less than the current contribution to the Cardiff Business Council. The Council has retained a reduced sum in its budget for 2016/17.

With regard to support from the Welsh Government and local authorities of the CCR discussions are on-going and will continue as part of the development of the transition plan. Welsh Government has confirmed in recent correspondence the requirement for a Business Council at the city-region level as part of its proposals for city-region governance, but as yet has not confirmed any funding contribution. The issue of business engagement has been raised with the local authorities of CCR as part of the City Deal process but as yet has not formalised into specific funding proposals. These discussions will continue over the coming months.

It is suggested in your letter that the private sector should have been given the opportunity to sustain the organisation themselves. We have seen over a long period of time stretching back to previous iterations of the Business Council, such as the Cardiff Initiative, Cardiff Marketing and Cardiff & Co that the current profile of the Cardiff economy makes it very difficult for these organisations to generate the necessary funding to be self-sustaining. This is similar to the situation in many UK cities. They have therefore always required public sector funding. The Cardiff Business Council has successfully managed to get contributions from business towards marketing activities that directly benefit their business. Pooling resources to deliver scale has been an important aspect of their work. However, more generic contributions that support operational costs have not been achieved and this was also a problem for previous city marketing organisations. As local government budgets are squeezed, it becomes increasingly difficult to justify a sizeable contribution from the Council and therefore a move to spread the contribution across a broader range of stakeholders is the obvious way forward. This does not mean to say that the public sector will by itself drive forward the new initiative. It will still need to rely on significant private sector funding, input, drive and enthusiasm.

In terms of your question regarding the public sector taking a back seat, I think the Council has definitely been in the background in regards to the Cardiff Business Council despite the fact that we have been the primary funder. But wherever public money is invested there will always be a requirement for appropriate governance arrangements to ensure that money is spent properly and delivers value for money.

Finally in response to the detailed questions you raise as to the future operation of the new Leadership Board, such as the number of members on the Board and how performance will be measured, that all remains to be decided and will be a matter for the CCR stakeholders to agree.

I hope this clarifies the situation and I can assure you that I will continue to work in the best interests of the city and in close collaboration and co-operation with all of the relevant stakeholders to get the best outcomes for Cardiff. As the proposal for the new organisation develops over the coming months I will arrange to keep Scrutiny Committee updated accordingly.

Yn gywir,
Yours sincerely,



**CYNGHORYDD / COUNCILLOR PHIL BALE
ARWEINYDD, CYNGOR DINAS CAERDYDD
LEADER, THE CITY OF CARDIFF COUNCIL**

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

ECONOMY & CULTURE SCRUTINY COMMITTEE

3 DECEMBER 2015

COMMITTEE BUSINESS AND CORRESPONDENCE – INFORMATION REPORT

Background

1. This report provides an overarching Committee Business Report , and includes the correspondence update schedule. Following Committee meetings, the Chair writes a letter to the relevant Cabinet Member or senior officer, summing up the Committee’s comments, concerns and recommendations regarding the issues considered during that meeting. The letter usually asks for a response from the Cabinet Member to any recommendations made and sometimes requests further information.

Issues

2. A copy of the Correspondence Monitoring Sheet detailing the Committee’s correspondence and those responses received is attached at **Appendix A**. This document outlines the key points raised within recent Chair’s letters and a summary of any replies submitted to the Committee. Also attached to this report are full copies of recent correspondence.

Committee Meeting Correspondence

15 October 2015

3. At this meeting the Committee considered the following items, with letters written to the relevant Cabinet Members and stakeholders:
 - Arts Council of Wales – Sian Tomos, Director – Enterprise and Regeneration, Arts Council of Wales (**Appendix B**)

- Arts Council of Wales – Cllr Bale (**Appendix C**)
- Cardiff Business Council Review – Cllr Bale (**Appendix D**)

The following replies have been received to the letters listed above:

- Cllr Bale – reply received 12 November 2015 (**Appendix E**).

5 November 2015

4. At this meeting the Committee considered the following items, with a letter written to the relevant Cabinet Member regarding them

- Welsh Public Library Standards 5th Framework, Cardiff Central Library Hub, Library Stock Management and Local Studies Service – Cllr Bradbury (**Appendix F**).

A reply to this letter was received on 23 November 2015 (**Appendix G**).

Budget Scrutiny 2016/17

5. As part of work programming discussions, Members have decided to scrutinise the Corporate Plan 2016-17 and Budgetary Proposals 2016-17. These are scheduled to take place in February 2016. At the recent Scrutiny Chairs Liaison Forum, Chairs highlighted that the proposed dates for Committee in February would need to be altered to ensure that Committees were able to receive the Budgetary Proposals 2016-17 which would be taken to Cabinet later on in February, rather than the proposals issued for consultation in December 2015. Chairs were keen to highlight that many Scrutiny Committee Members were not content last year when they were only provided with the consultation proposals. Currently, it is anticipated that Scrutiny Committees would need to be held on 15 -17 February 2016.

Legal Implications

6. 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

7. 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.

Recommendation

The Committee is recommended to:

- Review the responses received to the recent letters sent by the Committee.
- Approve the way forward for the scrutiny of the 2016/17 Budget proposals

MARIE ROSENTHAL

Director of Governance and Legal Services

27 November 2015

Committee date	Recipient & Committee item	Comments/Information requested	Response date	Response	Further Actions
10 SEPT 2015	Cllr Bradbury City Operations Q1 Performance BID Strategic Sports Framework	<ul style="list-style-type: none"> - Committee are concerned with the fact that only two interested parties have made it to the invitation to submit final tender (ISFT) stage of the exercise, and question whether the Council has asked too much of the market - Committee are conscious that the process followed to develop an enhanced in-house model will be of great interest to bidders involved throughout the procurement process and is likely to subject to considerable external scrutiny - Committee is well aware that the clear driver behind this ADM project is the need to deliver substantial savings, - savings which will need to be found whether an internal or external solution is agreed - welcomes that fact that the work has progressed to a stage where the tangible benefits of a Cardiff Business Improvement District (BID) can clearly be demonstrated - Committee notes reservations with regard to the potential impact on businesses that fall outside the Business Improvement District area, the impact on advertising citywide events and on residents who live in the city Centre. We feel it is very important for the Council to retain enough influence within the city centre to be in a position for feed in the priorities of the city as a whole. - Committee feels it is evident that strategic approach is particularly needed to influence and inform the levels of access provided to sports facilities within schools. Committee expects to see that in the future officers responsible for sports provision in Cardiff are involved in any decisions on school developments that include sports facilities, - Committee is glad that consideration has been given to mapping sporting needs and demands on a regional basis, and hopes to see that Sport Wales will repeat the work that is being undertaken in Cardiff 			
10 SEPT 2015	Leader Economic Development Q1 Performance	<ul style="list-style-type: none"> - Committee looks forward to testing the achievement of public sector contributions to the Multipurpose Arena - Committee is pleased the Heritage Trust is being considered on a cautious case by case basis rather than rushing to establish an overarching trust organisation - Note concern that the target of 1,000 members for Cardiff Business Council is nowhere near being achieved, although we recognise that the current review of the organisation may have restricted any drive to grow membership - Committee is pleased that all ten local authorities making up the Cardiff Capital Region have made the commitment to participate in negotiations with the UK Government - committee is assured that the governance arrangements in place are suitable, with Cardiff taking a leading role in some areas, and drawing on resources and expertise from all the authorities involved - Additional questions asked with regard to Cardiff Business Council 			
15 OCT 2015	Sian Tomos Arts Council of Wales	<ul style="list-style-type: none"> - Committee asked for specific areas Council and Arts Council could be working - Committee asked for more information on opportunities in regeneration and urban design - Committee asked if any case studies exist regarding arts facilities management - Committee encouraged dialogue around community based projects - Committee requested Bangor Uni research results 			
15 OCT 2015	Leader Arts Council of Wales	<ul style="list-style-type: none"> - Committee recommends dialogue with Arts Council and Council across range of projects is initiated from top of the organisation 			
15 OCT 2015	Leader Cardiff Business Council	<ul style="list-style-type: none"> - Committee questioned the interview process undertaken - question whether a commitment on this approach is needed from all local authorities - Committee preference would not be the creation of a new 'Leadership Board' but rather the transformation of Cardiff Business Council into a regional body - Committee questioned the timing of the review - Committee raised a number of questions around funding, board membership, accountability, risk and timelines 	12 NOV 2015	<ul style="list-style-type: none"> - commitment to ensuring papers are available on time - consultants very experienced and credible range of interviewees contacted - council will retain control of the level of funding it allocates to a business engagement organisation - Cardiff cannot dictate the chosen Business organisation, but can put in place transitional arrangements - discussions are ongoing with other local authorities and the welsh government - Council has taken a back seat, but will retain an interest where public money is involved 	
5 NOV 2015	Cllr Bradbury WPLS 5th Framework Cardiff Central Library Hub Library Stock Management	<ul style="list-style-type: none"> - Committee were pleased to be informed how well Cardiff is performing against the WPLS 5th Framework - Committee welcomes the achievements made in making superfast broadband available across the libraries in Cardiff - Committee hopes consideration is being given to ensure libraries reach people in their homes - Committee hopes and encourages further conversation with Ministers about the appropriateness of some measures - Members expressed disappointment over situation at Roath Library - Committee congratulate on the success that has been delivered at Cardiff Central Library Hub - hope that Cardiff Central Library Hub now has a sustainable future and will protected from this annual uncertainty - suggest that an arrangement like WMC bookable parking is explored for disabled access - Committee support the intention to move the Local Studies to Cathays Library and more generally to move away from the Dominions Way facility - Members recommend that consideration is given to selling residual books and materials that are not of interest to the general public 	23 Nov 2015	<ul style="list-style-type: none"> - Officers attended a seminar with MALD and were able to feedback comments of the Committee, emphasising the need for the Framework to recognise the digital needs of citizens in Cardiff. - Confirmed there has been both commercial and community interest in Roath Library. Hope to return to Scrutiny with a long term solution - Officers have been in touch with colleagues in Stuttgart to gain an understanding on the art loan scheme.L52 	Schedule future item on Roath Library when available.

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Fy Nghyf / My Ref: NRS/RM/ACW/15.10.15

Dyddiad / Date: 6 November 2015

Sian Tomos
Director – Enterprise and Regeneration
Arts Council of Wales
Princes Park II
Princes Drive
Colwyn Bay
LL29 8PL



Dear Sian

**ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 OCTOBER 2015:
Arts Council of Wales**

Thank you for attending the October meeting of the Economy and Culture Scrutiny Committee, where Members had the opportunity to explore the potential of the Arts in Cardiff to promote city regeneration and the well being of citizens. I will be grateful if you could also pass on the thanks of the Committee to David Alston and Lisa Matthews for their contributions and for addressing the questions that arose during the meeting. The Committee had a few comments and observations which are set out below.

Members firstly would like to thank you for your willingness to engage with the Committee, and with the Council, and hope that this engagement will serve as a prompt to open up further discussions with wider areas of the Council. We will be writing separately to the leader of the Council to highlight areas we feel the Council would benefit from opening a dialogue with the Arts Council. Our initial thoughts are around urban design and public planning, but it is clear to us from the meeting that the Arts Council has a broad reach and is involved in a range of projects and initiatives. If there are any specific areas of work you particularly feel the City of Cardiff Council could be working in partnership with the Arts Council of Wales, please do let us know.

During the meeting we discussed work the Arts Council of Wales is undertaken in other local authorities in the area of regeneration and urban design. Members were disappointed to hear that no bids for this work had been received from Cardiff, particularly given the scale of development and construction work ongoing across the city. Is this opportunity to work with the Arts Council one that is still open – or has the timeframe for submissions been missed? Could you also please provide us with examples of the projects the Arts Council is involved in and the criteria that a successful application must meet?

Members of the Committee are mindful that the Council owns and operates two important arts venues in the city centre, in the shape of St Davids Hall and New Theatre. The Council is developing plans to procure new management arrangements for these venues, and our Committee will be responsible for the scrutiny of these arrangements. We are aware that the buildings currently support a wide range of community and elite cultural infrastructure, and are keen to avoid inadvertently losing any cultural capacity through this procurement. We would be grateful to receive any advice, policy briefings or information that you hold or could signpost us towards in this area.

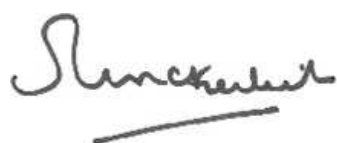
It was clear to Members that the Arts Council is involved in a number of community based projects across the city, such as Re:Imagine India or De Gabay. It seems to us that if the Arts Council and Cardiff Council had a closer working relationship, sharing community knowledge and links, these projects may be able to have a longer term impact or legacy – this is not to undermine or question the value of the projects delivered individually, but to suggest that more could be achieved by working cooperatively, sharing resources and expertise. We would encourage you to seek dialogue with the Council when planning community projects, and recommend that you seek the involvement of local elected members or the appropriate Cabinet member to arrange this.

Members of the Committee were interested to hear that research is being undertaken into the softer benefits the arts can deliver – such as within the remit of health and social care. We would be interested to read the findings of the work undertaken by University of Bangor when a report becomes available, and would ask that you make our Principal Scrutiny Support officer Nathan Swain aware when it is published.

The Members of the Economy and Culture Scrutiny Committee recognise that a vibrant arts scene is essential in attracting individuals to work and study in Cardiff (or indeed to locate their business here), and significantly contributes to the quality of life, or liveability, of a city. At a time when the necessity to work in partnership is growing, we hope that this involvement with scrutiny would serve as a catalyst for projects to be delivered in partnership between the City of Cardiff Council and the Arts Council of Wales in the future.

I look forward to receiving your feedback on the above comments and observations.

Regards,



Councillor Rod McKerlich
Chairperson, Economy and Culture Scrutiny Committee

cc Members of the Economy and Culture Scrutiny Committee
Leader, Cllr Phil Bale

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Fy Nghyf / My Ref: NRS/RM/PB/ACW/10.09.15

Dyddiad / Date: 6 November 2015

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



Dear Councillor Bale

ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 OCTOBER 2015

Arts Council of Wales

At the October meeting of the Economy and Culture Scrutiny Committee, Members met with representatives of the Arts Council of Wales to discuss the potential of the Arts in Cardiff to promote city regeneration and the well being of citizens.

I recognise that arts in the traditional sense may not fall under your portfolio of responsibility, however it became apparent in our meeting that the Arts Council is involved in projects that cut across numerous sections of the Council, from education and community development to urban design and regeneration. Members of this Committee are convinced of the benefits of a vibrant arts community for the city as a whole and feel this is something the Council should be ensuring it supports, particularly given the vision to become Europe's most liveable capital city.

In our discussions with the Arts Council of Wales it is clear that there is a willingness on their part to work with the Council and that they are open to initiating discussions as to how best to progress this. We would like to recommend that this dialogue commences at the top of the organisation and that you seek to meet with the Directors, who have demonstrated their openness in appearing before Scrutiny.

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.

Councillor Rod McKerlich
Chairperson, Economy and Culture Scrutiny Committee

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Fy Nghyf / My Ref: NRS/RM/PB/15.10.15

Dyddiad / Date: 2 November 2015



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

Dear Councillor Bale

ECONOMY AND CULTURE SCRUTINY COMMITTEE – 15 OCTOBER 2015

Review of Cardiff Business Council

Thank you for attending the October meeting of the Economy and Culture Scrutiny Committee, where we considered the Cardiff Business Council review. I will be grateful if you could also pass on the thanks of the Committee to Neil Hanratty and Mark Lang for their presentation and for addressing the questions arising during the meeting. The Committee had a number of comments and observations following the meeting, which are set out below.

Report

Before addressing the specific points we have relating to the Cardiff Business Council review, the Committee wishes to express its disappointment at only receiving the report produced by Publicani during the meeting itself. This really should not be happening and isn't acceptable given the fact that the report itself is dated September 2015. We accept that the report is a confidential draft, with no status, and therefore could not be issued with the publicly available Committee papers, however we feel that the maturity of Scrutiny arrangements in Cardiff could have afforded the opportunity for Members to consider printed copies of the report on a confidential basis in advance of the meeting.

While this topic was rigorously tested at the meeting, I cannot escape the feeling that a more informed and effective scrutiny could have been undertaken if Members were given the appropriate levels of information. I am mindful that there are a number of upcoming items due for pre-decision scrutiny and would ask that you ensure this situation is not repeated in the future. Similarly, Members are left questioning exactly what is going to be taken to the Cabinet for a decision. It wasn't made explicitly clear to us at the meeting what proposals and recommendations are going to be made, but

rather vague suggestions of a way forward were given, and again we feel this has limited the help and guidance we are able to provide through this scrutiny.

Review Process

With regard to the review methodology, Members question the scope of the review, and whether the findings can truly be representative of the needs and requirements of the region when only 26 interviews took place. Given the importance of this review and the proposals going forward for a regional 'Business Leadership Board', we would expect a more substantial and structured interview process to have taken place. Not knowing who had been interviewed, it was difficult for us to judge whether interviewees would be likely to understand the successes Cardiff Business Council has delivered for Cardiff, and how this could be built upon on a regional basis.

Members are also left questioning the fullness of this review given the aim to establish a new organisation representative of the whole Cardiff City Region. We question how a review reporting to the Cabinet of the City of Cardiff Council, and subsequent decisions made, can be enough to create a new regional Business Leadership Board – we feel a decision and commitment will be formally required by all participating local authorities, please could you confirm whether this has been factored into the necessary timings? The Committee is of the opinion that the City Deal proposals and negotiations need active business participation now, demonstrating to Whitehall that both the public and private sector in the Cardiff City Region are driving forward these proposals, and that the process of debating, negotiating and establishing a new regional board from scratch will jeopardise the success of our bid.

Cardiff Business Council

In relation to the proposals going forward, the Committee feels that the right principles are being emphasised. The Cardiff City Region needs the backing of businesses across the whole region, allowing businesses to shape local policy decisions, through a structure that isn't simply a talking shop or extra layer of governance, but rather is responsible for marketing and promoting the region and attracting inward investment. We cannot however escape the feeling that this is something the Cardiff Business Council has been achieving for Cardiff as a city, and should be built upon for the wider city region. The preference of this Committee would not be the creation of a new 'Leadership Board' but rather the transformation of Cardiff Business Council into a regional body, incorporating the need to be representative of the requirements and expertise across all ten local authority areas.

Cardiff Business Council has, in the opinion of this Committee, delivered a great deal of success for Cardiff since its establishment in July 2013, working closely with the Council's Economic Development team to attract inward investment and businesses to Cardiff, developing a scale model of the whole city which has showcased Cardiff

around the world, and securing events such as the IAAF World Half Marathon. We cannot see the logic, or indeed support any proposal to fully abandon or dissolve this organisation, which has achieved so much on a minimal budget. As already mentioned, the preference of this Committee would be to see Cardiff Business Council transformed onto a regional basis, or failing this, for Cardiff Business Council to carry on independently, attracting businesses to Cardiff and feeding into the regional agenda.

This point of view also leads us to question why the review of Cardiff Business Council has been done so publically and over such a long period of time. We feel the effectiveness of Cardiff Business Council to attract local membership growth and inward investment has been jeopardised by the review of the last four months, as businesses will not want to commit to an organisation that may cease in the coming months.

Business Leadership Board Proposals

With regard to the proposals for the creation of a Cardiff City Region 'Business Leadership Board', the Committee has a number of questions or issues that we feel were not made clear during the meeting and that we wish to be clarified. We recognise that they might be answered within the Publicani report, but as stated above, with under an hour of exposure to the report itself we found ourselves at the end of the meeting unclear at the full contents of the report,. We certainly feel that these points are important for the Cabinet to understand in making a decision:

- The cost and funding proposals for the Business Leadership Board are unclear.

From the meeting Members infer that the cost will be higher than the running costs of Cardiff Business Council – which the Council cannot afford to continue supporting. Members feel that any decision made by the Cabinet should be informed by an indicative estimate of the funding required from Cardiff Council. The Committee understands that the regional board will be funded by the Welsh Government and all ten participating local authorities, however we feel there must also be buy in from the private sector. As previously mentioned, we fear the support of the Cardiff business community may have been lost through this review and doubt cast over Cardiff Business Council.

- All local authorities involved are still awaiting confirmation of the Local Government Capital and Revenue Settlement. Does this make any current commitment of public sector financial contributions a risk?
- Is the involvement of businesses from a local authority area dependant on the commitment of that local authority to the Business Leadership Board? For

example, if for whatever reason a local authority pulled out of funding the Business Leadership Board, would businesses in that area be excluded from ongoing or future discussions?

- How will the Business Leadership Board membership be kept to a manageable number?

The Publicani review suggests a board of 10-12 members, however we cannot understand how this number will be achieved when including representation for local business forums across the ten authorities, organisations such as the FSB and CBI, senior local authority officers, Welsh Government officials and political representatives. While we recognise why all these organisations require representation, we fear that such a large committee will encounter problems in getting decisions made.

- What are the mechanisms proposed to measure the success of Business Leadership Board, and how will the organisation be held to account and by who?

The achievements, aims and performance measures for Cardiff Business Council are set out in the Economic Development Directorate Plan, and are monitored through Quarterly performance reports. We feel clear performance and monitoring arrangements must also be in place for any organisation replacing Cardiff Business Council.

- At what stage will the public sector take a back seat and allow for this organisation to be driven forward by private sector partners from across the Cardiff City Region?

The Committee is concerned that it appears the proposed Business Leadership Board is being driven forward by local authorities and the Welsh Government. While public sector involvement is crucial in the development and support of the proposed leadership board, we question whether it should instead be fronted by the private sector. We are conscious that in order for the private sector to fully commit to this organisation, there must be clear role descriptions and autonomy to push initiatives forward. We also have reservations over deciding the structure of any new organisation before the business community is fully committed to it.

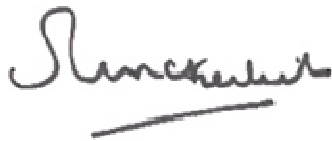
- Are you confident that the proposed Business Leadership Board can be established in time to support and push forward in negotiations for the City Deal?

As a final point the Committee wishes to emphasise the importance of these developments for Cardiff. We would not want historic issues or relationships clouding judgement when it comes to deciding what is best for our city. Members consider that

whatever differences might have emerged in the past, it is essential for leading figures to work together to plan out what is best for Cardiff on both a local and regional basis, and ensure that this is achieved through the new arrangements for a regional business engagement structure.

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 Neil Hanratty – Director of Economic Development
Cabinet Support Office
Members of the Economy and Culture Scrutiny Committee.
Nigel Roberts – Chairman, Cardiff Business Council

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Fy Nghyf / My Ref: CM32632

Eich Cyf / Your Ref:

Dyddiad / Date: 12th November 2015

Cllr Rod Mckerlich
C/O Member Services
County Hall
Atlantic Wharf
Cardiff
CF10 4UW



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Annwyl / Dear Rod

Economy & Culture Scrutiny - 15 October 2015

Thank you for your letter dated 2nd November 2015 enclosing the response of the Economy and Culture Scrutiny Committee of the 15th October 2015 to the presentation given by myself, Neil Hanratty and Mark Lang on the review of Cardiff Business Council.

I have read your comments and observations with interest and set out below my response in line with the structure of your letter:

Report

I do understand your disappointment at only gaining sight of the Publicani report at the beginning of the meeting. I can assure you there was no intention to withhold information unnecessarily from the Committee. There was an element of confidentiality due to the timing of the meeting which I understand led officers to circulate the document at the meeting. I have subsequently asked that in future documents are circulated in good time before Scrutiny meetings to give Members proper time to digest information. On that basis I can assure you that in respect of upcoming items due for pre-decision Scrutiny, the relevant papers will be with you in advance of the meeting.

Review Process

I note the Committee's concern regarding the number of interviews that informed the review. As explained by Mark Lang at the meeting, 26 detailed interviews with a range of key stakeholders encompassing current Board members, representatives of the wider business community, senior representatives of the surrounding local authorities and other stakeholders represents a creditable pool of interviewees. In addition, more people were invited to take part in the interviews but chose to decline. Furthermore, the interviews only formed part of the overall analysis. The appointed consultants are extremely experienced in this area of policy and informed their findings through a sharp literature review of the local, regional, and national policy context, and a review of relevant business engagement initiatives in the UK and internationally.

ATEBWCH I / PLEASE REPLY TO:

Swyddfa'r Arweinydd, Ystafell 525, Neuadd y Sir, Glanfa'r Iwerydd, Caerdydd CF10 4UW
Ffôn (029) 2087 2500 Ffacs (029) 2087 2599

Office of the Leader, Room 525, County Hall, Atlantic Wharf, Cardiff CF10 4UW
Tel (029) 2087 2500 Fax (029) 2087 2599



In terms of the fullness of the independent review, I would like to re-iterate that the report was never intended to provide a review of the performance of the Cardiff Business Council, but rather was intended to determine a suitable way forward given the new and emerging financial and governance context. I am extremely mindful that the shape, role and constitution of the new organisation, if it is backed by our local partners, will need to be decided with our local partners, i.e. it will no longer be solely a decision for the City of Cardiff Council. What will remain in our sole control will be the level of funding the Council allocates towards a business engagement organisation and it is clear that the current level of funding is not sustainable and may need to reduce even further at the end of this financial year. It is therefore extremely responsible for the Council to be considering alternative models, and the timing is right, with only four months remaining to the end of the financial year.

Furthermore, whilst at present there is no formal agreement with Welsh Government and surrounding authorities of the Cardiff Capital Region (CCR), discussions have taken place, and I believe the City Deal collaboration does present a perfect opportunity to move the discussion on over the next few months. Following on from the recent submission to UK Government on City Deal, we will shortly be entering into a phase where the engagement of business will be crucial to the development and delivery of our bid.

Cardiff Business Council

I note the Committee's preference to encourage the transformation of the current Cardiff Business Council into a regional body involving representatives and expertise across all 10 local authority areas. The recommendations of the report to Cabinet are to put in place appropriate arrangements that will manage the transition to a new model. The creation of a city-region business organisation means there will now be a much broader range of stakeholders and contributors that will decide the final shape and role of the new organisation. It would therefore be extremely presumptuous for the City of Cardiff Council to believe that it has the right to decide these details and as such the recommendation is to work on the development and implementation of a transition plan. The Council recognises the good work of the Cardiff Business Council to date and will aim to try to minimise disruption and maintain momentum.

I note your concerns in relation to the timing of the review and its impact on the Cardiff Business Council's ability to attract local membership growth. Whilst the Business Council has been successful in achieving its marketing objectives and in engaging private sector involvement and contributions towards those marketing objectives, the base costs of operating the company have, since its inception, been met almost entirely from the Council's direct funding, supported by resources from the Economic Development service. It is clear there would not be sufficient funds to sustain the organisation if and when the Council needs to reduce its funding further. It was therefore absolutely appropriate to review the situation, in good time, to try to find a new and sustainable model for business engagement with a broader range of stakeholder contributors. The review has taken time because it has relied on the engagement of a broad range of stakeholders and because it was conducted over the summer months.

Business Leadership Board proposals

In respect of the detailed questions, the Consultant's report was never intended to address this level of detail. In the key recommendations, it is proposed that the City of Cardiff Council should develop an Action Plan to manage a smooth transition from the current arrangement to the new model. This is also the key recommendation in the Cabinet report and will be the next stage in the process. It is important to note that in a city-region context, where contributions to running costs will potentially come from Welsh Government and the 10 local authorities of the CCR the anticipated cost to the City of Cardiff Council should be significantly less than the current contribution to the Cardiff Business Council. The Council has retained a reduced sum in its budget for 2016/17.

With regard to support from the Welsh Government and local authorities of the CCR discussions are on-going and will continue as part of the development of the transition plan. Welsh Government has confirmed in recent correspondence the requirement for a Business Council at the city-region level as part of its proposals for city-region governance, but as yet has not confirmed any funding contribution. The issue of business engagement has been raised with the local authorities of CCR as part of the City Deal process but as yet has not formalised into specific funding proposals. These discussions will continue over the coming months.

It is suggested in your letter that the private sector should have been given the opportunity to sustain the organisation themselves. We have seen over a long period of time stretching back to previous iterations of the Business Council, such as the Cardiff Initiative, Cardiff Marketing and Cardiff & Co that the current profile of the Cardiff economy makes it very difficult for these organisations to generate the necessary funding to be self-sustaining. This is similar to the situation in many UK cities. They have therefore always required public sector funding. The Cardiff Business Council has successfully managed to get contributions from business towards marketing activities that directly benefit their business. Pooling resources to deliver scale has been an important aspect of their work. However, more generic contributions that support operational costs have not been achieved and this was also a problem for previous city marketing organisations. As local government budgets are squeezed, it becomes increasingly difficult to justify a sizeable contribution from the Council and therefore a move to spread the contribution across a broader range of stakeholders is the obvious way forward. This does not mean to say that the public sector will by itself drive forward the new initiative. It will still need to rely on significant private sector funding, input, drive and enthusiasm.

In terms of your question regarding the public sector taking a back seat, I think the Council has definitely been in the background in regards to the Cardiff Business Council despite the fact that we have been the primary funder. But wherever public money is invested there will always be a requirement for appropriate governance arrangements to ensure that money is spent properly and delivers value for money.

Finally in response to the detailed questions you raise as to the future operation of the new Leadership Board, such as the number of members on the Board and how performance will be measured, that all remains to be decided and will be a matter for the CCR stakeholders to agree.

I hope this clarifies the situation and I can assure you that I will continue to work in the best interests of the city and in close collaboration and co-operation with all of the relevant stakeholders to get the best outcomes for Cardiff. As the proposal for the new organisation develops over the coming months I will arrange to keep Scrutiny Committee updated accordingly.

Yn gywir,
Yours sincerely,



**CYNGHORYDD / COUNCILLOR PHIL BALE
ARWEINYDD, CYNGOR DINAS CAERDYDD
LEADER, THE CITY OF CARDIFF COUNCIL**

Fy Nghyf / My Ref: NRS/RM/PBr/05.11.15

Dyddiad / Date: 11 November 2015



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 – 11 NOVEMBER 2015

Thank you for attending the November meeting of the Economy and Culture Scrutiny Committee, where we considered a range of items relating to Libraries in Cardiff. I will be grateful if you could also pass on the thanks of the Committee to Sarah McGill, Isabelle Bignall and Nicola Richards for the presentations delivered and for addressing the questions that arose during the meeting. The Committee had a few comments and observations following the meeting, which are set out below.

Welsh Public Library Standards 5th Framework – Annual Report

Members of the Committee were pleased to be informed how well Cardiff is performing against the WPLS 5th Framework and to hear that there are only a small number of Quality Indicators the authority is failing to achieve in full. Members initially raised concerns with regard to WPLSCE15, where the Council has not carried out the formal surveys required by the Welsh Government. We are however reassured with the explanation that a great deal of informal surveys, not fully recognised by the Welsh Government, are undertaken regularly, and that the formal requirement will be achieved for the 2015/16 annual return.

The Committee welcomes the achievements made in making superfast broadband available across the libraries in Cardiff and the brilliant technology available on the digital floor in Cardiff Central Library Hub. As was discussed at the meeting we hope that this can help close the digital divide that exists across the city. We also hope consideration is being given to ensure libraries reach people in their homes, and efforts are being made to ensure residents understand how they can access library services or books using their own tablets or personal computers.

Members agree with your comments that some of targets and performance measures are restrictive and limit the scope for Cardiff to advance with its vision of libraries for the future. You mentioned that you are in discussions already with the Minister regarding this, and we would support and encourage you to continue these conversations, as we too question the appropriateness of some of the measures in the 5th Framework. It is particularly concerning that we are only in the first of three years under this framework and yet already some measures could be seen to be less than appropriate.

During this section of the meeting Members also discussed the fact that Roath Library is approaching a year of closure. We note your apologies and the efforts that have been made with various organisations to secure a sustainable way forward for Roath Library, but we remain disappointed that the residents in this area have been left without this service for such a length of time. In our letter dated 10 July 2015, following our scrutiny of the Roath Library Cabinet report, we anticipated no Community Asset Transfer solution would be found and recommended testing the appetite within the business community to take over this building, exploring if the continued provision of library services alongside an operational business is a realistic proposition. In your response dated 15 July 2015 you indicated that you would consider raising a Prior Indication Notice to explore commercial interest in running a library service from the building. There was no mention of this exploration with the business community during the most recent meeting, and we hope this is something being seriously considered going forward.

Cardiff Central Library Hub

The Members of the Committee wish to congratulate you on the success that has been delivered at Cardiff Central Library Hub. The figures presented at the meeting, such as the increases in footfall, substantial increases in weekly benefit gained, and a fall in waiting time to see the Money Advice team, really do speak for themselves and demonstrate the fantastic results being achieved through the Hub approach. Members would like some assurance that this approach will provide some long term stability at Central Library – there have been so many changes, and proposals for change across libraries in Cardiff for a number of years and we would hope that Cardiff Central Library Hub now has a sustainable future and will be protected from this annual uncertainty.

Members discussed the issue of accessibility of the Central Library Hub for disabled individuals wishing to access the services on offer. We recognise that this is not an issue with the internal design of the building, which is highly accessible, but rather more to do with the location of the building, which doesn't have disabled parking close by or a location for individuals to be dropped off and collected. We recognise you are willing to meet with Councillor Mohammed Javed regarding his concerns and hope this can lead to some resolution of the problem. One option you may wish to

explore is the approach taken at the Wales Millennium Centre, where there is the provision of pre-bookable parking spaces for disabled visitors.

Members note that a volunteers project is run at Cardiff Central Library Hub, with Into Work Services and Advice also located in the building. We also note that there are currently vacancies and volunteer opportunities within the Digital Suite. We expect this is already taking place, but would recommend that those individuals responsible for the Digital Suite explore the opportunity to fill vacancies via the services provided on the Third Floor.

Finally, members of the Committee wish to thank you for your willingness to participate in the pilot of third sector question currently being undertaken across the Cardiff Scrutiny Committees. We welcomed the answers you provided to the questions of Sheila Hendrickson-Brown, Chief Executive Officer of the Cardiff Third Sector Council, and are pleased to see that you clearly know each other well already and are committed to continuing this relationship. As stated in your response to Sheila, we hope that real opportunities for the third sector to contribute to the evaluation of the Hub Strategy will be provided, and a genuine partnership approach will be developed.

Library Stock Management Strategy and Local Studies Service

With regard to the Library Stock Management Strategy and Local Studies Service, Members of the Committee support the intention to move the Local Studies to Cathays Library and more generally to move away from the Dominions Way facility. We recognise that far too much money is being spent housing library stock and local materials in a manner that is inaccessible, and welcome the move to prioritise spend on front facing service delivery through efficiencies in back office functions.

As was discussed at the meeting, Members recommend that consideration is given to selling residual books and materials that are not of interest to the general public. We recognise this is a sensitive matter, and that the Council has a stewardship responsibility for a number of important historic works, or those that have been gifted to the Council – however we see this as an opportunity to review the stock we have in storage and reduce the volume moved to the new location. Officers will recall that the Council has previously passed books and materials on to Cardiff University, with the proviso that they remain openly accessible to the public – if the appetite to sell any material is not there, this may be an option to explore again with interested organisations and establishments across Cardiff.

A final point members wish to raise, which falls outside the remit of the Library Stock Management Strategy but was discussed at the meeting, is the possibility of loaning out our collections, or art works that are in storage to the public. We are conscious that the Council owns and has in storage a large number of works, and feel they could be explored as an opportunity to raise income for the Council, or failing that,

loaned out for free in order to maximise the enjoyment derived but Council owned assets.

To re-cap for ease, the Committee asks that the following points are addressed:

- Committee recommends discussions with the Welsh Government are continued with regard to the appropriateness of some of the quality measures and indicators of the WPLS 5th Framework
- Committee recommends market testing work commences to explore options for this building with the business community
- Committee seeks assurances that there will be stability for Central Library now that the hub approach has been successfully implemented
- Committee requests you meet with Cllr Javed to discuss accessibility at Cardiff Central Library Hub
- Committee supports the proposals to move away from Dominions Way and to relocate the Local Studies Service to Cathays Library
- Committee recommends consideration is given to selling unwanted books or materials currently stored by the Council
- Committee recommends consideration is given to loaning out art works that are not in the public eye and kept in storage.

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
Cabinet Support Office
Members of the Economy and Culture Scrutiny Committee

**SWYDDFA CYMORTH Y CABINET
CABINET SUPPORT OFFICE**



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Fy Nghyf / My Ref: CM32774
Eich Cyf / Your Ref: NRS/RM/PBr/05.11.15

Dyddiad / Date: 23 November 2015

Councillor Rod McKerlich
Chair, Economy & Culture Scrutiny Committee
Scrutiny Services
Room 263
County Hall
Cardiff
CF10 4UW

Annwyl / Dear Councillor McKerlich

Economy and Culture Scrutiny Committee - 11 November 2015

Thank you for your letter dated 11 November 2015. I have passed on your thanks to the Officers present. I am pleased that you found the presentations offered of benefit. I am very grateful to the Committee for considering the service performance and providing feedback which is always useful. I have provided responses below to the Committee's recommendations, observations and requests which I hope will be helpful.

Welsh Public Library Standards 5th Framework – Annual report

Thank you for your kind comments. I believe that this year the service has performed well and it is very positive to see this reflected within the Authority's return. Work has started on the user survey and we hope to progress with this in the New Year. Officers attended a seminar at Museums Archives and Library Division Headquarters (MALD) on 12 November 2015 and were able to feedback the comments of the Committee, particularly emphasising the need for the next Framework to expand and recognise the more complex digital needs of our Citizens. We have a good working relationship with MALD and will continue to work with them on this matter.

Roath Library - The Community Asset Transfer that is currently live does ask for interest from both community and commercial organisations. The main requirement is that either the commercial or community organisation retains a library provision in the building. I can confirm that we have had commercial interest in Roath Library, as well as from community groups, and I am hopeful that I can return to a future scrutiny with a positive long term solution for the building.

ATEBWCH I / PLEASE REPLY TO: Swyddfa Cymorth Y Cabinet / Cabinet Support Office,
Ystafell / Room 263, Neuadd y Sir / County Hall,
Glanfa'r Iwerydd / Atlantic Wharf, Caerdydd / Cardiff,
CF10 4UW Ffôn: (029) 2087 2087



It is of course regrettable that a short term solution for provision within the Adamsdown Area has not been implemented to date, however I can confirm that the Travelling Library Service continues to operate within the area and efforts are still being made to progress a solution at the earliest opportunity. We are currently working with the Cardiff & Vale UHW to progress a potential temporary option for the Library Service within the CRI facility in Adamsdown. We will keep communities updated about progress on a regular basis.

Cardiff Central Library Hub

Your kind comments regarding the success of the Central Library Hub project are much appreciated. I would agree that it is fantastic to see the results that have been achieved so far. It is already apparent that the new enhanced facility will enable the authority to maximise the learning, social and literacy outcomes that it will be able to deliver to Cardiff's citizens. I know that there are lots of plans to develop services particularly those associated with the Digital Floor which recently released its curriculum offer to Schools. I am very hopeful that the co-located strategy will deliver a more sustainable future for the building in these challenging times.

I agree that the location of the building maybe restrictive for disabled users and I have asked officers to research parking options. A meeting is to take place with Councillor Javed shortly to hopefully progress a solution.

Library Stock Management Strategy and Local Studies Service

I am pleased that you were able to support our general proposals. I believe solutions can be sourced that will deliver protection, preservation and greater accessibility to Historical Collections as well as enabling the service to discontinue the requirement to occupy Dominions Way, which is of course very costly.

With regards to art work, it is a very interesting idea to offer loans to the public. I understand that officers have already been in touch with our Stuttgart colleagues to get a better understanding of the scheme that is offered in that city. There are obviously insurance and resource requirements for operating such a scheme but officers will of course continue to investigate possibilities. I would stress that this isn't solely an issue for the Library Service, the Council as a whole holds numerous art works in a range of buildings and a council wide approach is needed.

Thank you once again for your letter and the constructive feedback that the Committee felt able to provide.

Yn gwyir,
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter Bradbury', with a long horizontal flourish extending to the right.

Councillor / Y Cynghorydd Peter Bradbury
Cabinet Member for Community Development, Co-operatives & Social Enterprise
Aelod Cabinet Dros Datblygu Cymunedol, Mentrau Cydweithredol a Mentrau Cymdeithasol

Cc Sarah McGill, Director, Communities, Housing and Customer Services
Cabinet Support Office
Members of the Economy and Culture Scrutiny Committee

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