

## ECONOMY & CULTURE SCRUTINY COMMITTEE

12 FEBRUARY 2018

Present: Councillor Howells(Chairperson)  
Councillors Ebrahim, Gordon, Gavin Hill-John, Parkhill, Robson,  
Sattar and Stubbs

45 : APOLOGIES FOR ABSENCE

No apologies for absence were received.

46 : DECLARATIONS OF INTEREST

No declarations of interest were received.

47 : MINUTES

The minutes of the meeting held on 11 January 2018 were agreed as a correct record and signed by the Chairperson.

48 : DRAFT BUDGET PROPOSALS 2018/19 & CORPORATE PLAN 2018 - 2021

### **Corporate Overview**

The Chairperson welcomed Councillor Chris Weaver (Cabinet Member for Finance, Modernisation and Performance), Christine Salter (Corporate Director - Resources) and Ian Allwood (Head of Finance) to the meeting.

The Chairperson invited Councillor Weaver to make a statement in which he said that the budget strategy had been set last summer, there would be a 30% schools cap, £14million of savings were needed, there was a gap of £6.4million which would be filled by the 5% increase in Council Tax. He clarified that the book fund would be £54k in the coming year. He stated that this had been a difficult budget but it was ambitious, it sets out the Capital Programme for the next 5 years, Schools planning and Asset renewal. It was a balanced budget, which focused on protecting core services and investing in the City's future.

Christine Salter provided Members with a presentation on the Cabinet Budget Proposal 2018/19, and highlighted key information on the Final Settlement Overview, Consultation, Draft Revenue Budget, Medium Term Outlook and the Draft Capital Programme.

The Chairperson invited questions and comments from Members;

- Members asked for clarification on the 5% Council Tax increase and the 4.3% increase in the future. Officers explained that this was the current assumption, it was a big gap to fill, increases had been explored over the last 5 years and averaged out, it was an assumption at this stage.
- Members noted the consultation responses and them being skewed to North Cardiff, over 55's etc. Noting that South East/East Cardiff were difficult to engage and asked how this could be improved. The Cabinet Member stated

that officers were currently working on methods to improve engagement, he suggested that he could write to scrutiny chairs to ask for suggestions too. The performance team are aware of the issue and looking at how to balance out engagement.

- Members asked if, in the Medium Term, figures could be split between pressures and funding gap. The Cabinet Member agreed that the distinction between them was needed, he added that there had been a cash increase but a growth in demographic pressures.
- Members asked for more information on the analysis of the risk assessment on the savings proposals, noting that last year only 5% were not at detailed stage. Officers advised that the cumulative effect of all the savings was ever more difficult to achieve, there was a need to be more innovative in the way savings are made and this was more difficult to plan in a detailed way. Officers provided assurance that the risk assessments had been diligent and robust. Members noted that the savings referred to were primarily in Social Services.

### **Economic Development Directorate**

The Chairperson welcomed Councillor Huw Thomas (Leader), Councillor Russell Goodway (Cabinet Member – Investment & Development), Councillor Peter Bradbury (Cabinet Member – Culture & Leisure), Neil Hanratty (Director – Economic Development) to the meeting.

The Chairperson invited the Leader to make a statement in which he said that there had been a lot of progress in the City Deal over the last 8/9 months, he was delighted with the cooperation across the region and across parties. More broadly with Capital Ambition, Cardiff was growing and it was recognised that each project has to deliver for communities across the City. He noted the challenges of inequalities in finance and health and considered it an ambitious budget that would deliver transformational change.

The Chairperson invited Councillor Bradbury to make a statement in which he said that this was the most positive budget he had brought to Committee in years. He included some key information from the budget such as £150k of savings around voluntary severance and vacancies; investment in parks and equipment; income targets based on performance this year; £306k capital investment into St David's Hall and freezing prices for football, rugby and basketball etc.

The Chairperson invited Councillor Goodway to make a statement in which he said that this was the first budget in 4 years that Economic Development hadn't had to sustain dramatic reductions. He noted that whatever is done with regards to development and investment has to be in partnership as the Council can no longer deliver these alone. He added that it was important to build on the success of the last 6/7 months and the future would be encouraging, noting the better appetite from the Private Sector to talk to the Council with its clear plans that people believe in.

Neil Hanratty provided Members with a presentation on the Economic Development Directorate – Budget Proposals, and highlighted key information on Corporate Plan Objectives, Performance Measures, Total Directorate Savings Proposals and Capital Programme 2018/19.

The Chairperson invited questions and comments from Members;

- Members asked when in 2018 the development of the bus station would start and were assured that it would start soon.
- Members noted the reference to Grade A office space and that Central Square was an obvious location, and asked what other locations were considered as this. The Leader stated that Central Square, Central Quay, Callaghan Square and around Cardiff Bay would be considered as Grade A office space. He added that there was a capacity of 15k office jobs in the Bay location.
- Members were pleased that the Cabinet Member recognised the inequalities that exist in the City and asked if the Cabinet Member was confident that the plans to modernise and develop Cardiff would benefit ordinary citizens. The example of Dumballs Road was provided where development means that lots of small businesses will have to relocate. The Leader stated that he had recently visited Dumballs Road and had conversations with business owners about relocating or staying where there is room to stay. The Council's interest in Dumball's Road is to provide good quality housing within easy reach of jobs in the City Centre, there would be good investment in education and work done with private sector to provide good quality jobs. The Cabinet Member added that a successful economic development agenda doesn't belong to a person or an administration as it's so long term, it has to be owned by the people who live in the City; partners are needed to deliver the agenda over time. He added that milestones need to be identified along the way, and there needs to be review periods; the Council has failed on this in the recent past with Cardiff Bay and it was important that it is built into the process and promises made to the people are kept.
- Members noted the main savings proposals and asked what the impact of 210k from the budget would have on marketing major events in the City. The Leader recognised that Corporate Initiatives are nice to have but in times of austerity it was necessary to rely on partners to deliver the agenda; in the past Cardiff Council had carried the cost but partnership work was needed now. With reference to Major Events, Members were reminded that these were carried out in partnership with Welsh Government and this would continue.
- Members referred back to the development of Cardiff Bay and the lessons to be learned in the future and asked if there could be some form of body that ensures the mistakes are not made again. The Cabinet Member stated that local Councillors need to take responsibility; the specifics have been made clear and there would be monitoring and review periods built in, it was important to take stock of all aspects of the Corporate Plan.
- Members requested in respect of planning gain that the Council requests that S.106 monies are promptly passed on to communities. Officers stated that changes to this process are currently being looked at, there would be a full session of Member Development training available at a future date.
- Members referred to the graph showing visitor numbers and the plateau since 2016. Members asked if deleting the 2 vacant posts in the Tourism section

would add to this decline. The Cabinet Member stated that any City needs to renew and refresh its offer to get return visitors. He added that the key to attracting more visitors regularly is the Indoor Arena, which would generate footfall and underpins the delivery of other aspects of the Economic agenda such as Transport. Officers added that the deletion of the 2 vacant posts primarily reflects the digital way that visitors experience and book; peaks and troughs would be seen through major events such as the Olympics and Champions League, the impact of these major events was critical to Cardiff.

- Members referred back to S.106 monies and it being allocated to local ward Members, stating there may be an issue with developments at ward boundaries and where the services they use are located, noting that it was unlikely that any Member would spend the monies outside their ward. The Cabinet Member stated that they are constrained by the Planning procedures with regards to S.106 monies and where they can be spent; there was work to be done with local Members regarding spending the monies on public open space.
- Members sought assurance that everything was being done to obtain all the grants available. Officers stated that they tend to work in business investment to help others to get grants. The Council works very closely with Welsh Government to secure funding for major projects and major events.
- Members noted the high ambition over the next 2 years in just one Council portfolio and asked if they were confident they could deliver on these ambitions. The Leader stated that he was confident and that the administration needed to put in place the measures to deliver them.
- Members were pleased to see reference to developing the City's historic assets and discussed the possible development of the Canal and Dock Feeders, Members sought assurances that the parks, the Castle, the street scene of Cathays Park, all of which were very special to residents of Cardiff, are promoted alongside the new venues and attractions. The Leader stated that there had been a theoretical discussion about the opening up of the canal at the back of Mill Lan/Churchill Way; he added that there would be open space in the heart of the City at Central Square and with regards to place setting he would take the Members points on board. The Cabinet Member stated that canals have been filled in but there was an opportunity to open up the canal feeder at Churchill Way but they need to look at what is there as it is all overgrown. He added that this may come from a small scale development alongside it. The agenda is shared with the Welsh Government, there are lots of buildings that need to be maintained, there are huge backlogs with buildings such as the Castle and City Hall and partners are needed to address this.

The Cabinet Member made reference to an operator for the Castle stating that this would transfer the risk and provide a guaranteed income. It was also noted that the development of the Multi-Purpose Arena wouldn't necessarily detract from the City's other attractions, as it would increase footfall to other venues, it would enhance Cardiff's offer. In budgetary terms, to maintain these venues there needed to be a buildup of sinking funds, and a conversation had with Welsh Government on how to protect the Capital City to deliver for Wales.

The Leader added that he had visited Glasgow recently, their arena is in an industrial area and there is a disconnect from the City Centre, similar to Cardiff, other venues haven't been effected, it attracts people from all over the UK and outside of the UK. The Leader added that if Cardiff doesn't do this then Bristol would.

- Members asked about the savings in relation to the ISV pool and were advised that there would be a deal to remove the subsidy and operate on the same basis and there would be no significant impact on the user.
- Members referred to 'range of economic development schemes' in line 90 and sought further explanation. Officers advised that this referred to Central Square.
- Members referred to line 44 and the temporary car park for the ISV, asking where this would be. Officers advised that this is currently based on Site 2, which has been sold and a new site needed to be identified.
- Members noted that there was no fee increase for the hire of Castle Rooms and asked if this was an opportunity missed. The Cabinet Member stated that fees were going up where income targets had been met, he would look into these particular ones.
- Members referred to 'friends groups' being expanded, noting how valuable these groups were but that they needed an element of management, which used to be undertaken by the Ranger Service which had been cut. The Cabinet Member stated that although there had been a better than expected settlement, there were still challenges, it was unrealistic to have more rangers while there were such challenges in Education and Social Care etc. Officers added that there needed to be creative thinking to use the staff they do have and to bring people into the service.
- With reference to the Capital Programme, Members noted the refurbishment of sports facilities and that this was a very competitive market currently. The Cabinet Member stated that he would like more investment as before last year there had been none at all. He noted that this was a discretionary area and it was a challenging climate. They were working with clubs and looking at things year on year as it was unrealistic to put in figures for future years. They were also looking at Band B and the use of schools for community sports facilities.
- With reference to using the schools, Members asked how communities would be able to use schools in Band B in the future. The Cabinet Member stated that they were in discussion to achieve this, to allow communities to use the facilities out of school hours, adding that the school should be a community asset and that its use as such should be a requirement of the Band B funding in secondary schools. The Leader stated that there would be report taken to Cabinet on the terms of access to schools, it was no longer acceptable to lock up the schools at 3.30pm and they should be used as community facilities such as for sport after these hours.

- Members referred to the Leisure Centre Alternative Delivery Model £2.4million and asked which Centre's were likely to have the money spent on them. The Cabinet Member agreed to get that information to Members.

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

The Chairperson welcomed Councillor Sarah Merry (Deputy Leader, Cabinet Member – Education, Employment & Skills), Councillor Lynda Thorne (Cabinet Member – Housing & Communities), Sarah McGill (Corporate Director - People & Communities), Jane Thomas (Assistant Director – Housing and Communities) and Nick Blake (Business Support Manager) to the meeting.

The Chairperson invited Councillor Thorne to make a statement in which she said that she was proud that the corporate plan and this year's budget focuses on the further development of those services that help those most vulnerable in Cardiff.

A key theme for Capital Ambition is how to make sure everyone is benefiting from the growth of Cardiff and to support people out of poverty.

The Community hub programme, which this year will include the completion of the new hub in St Mellons, provides locally available services delivering practical help and support to those who need it.

The performance at the Hubs and libraries is truly impressive, which have over 3 million visits each year and rising. This is down to the provision of essential services and the hard work of officers and partners putting on a range of events from the traditional story/rhyme time to special events such as the recent Blue Monday event. The integration of employment support services will start in April and through a simple gateway to services individuals will be able to access a range of services, courses and also In-depth Mentoring for those people who need additional support and assistance for those in low paid employment and on zero hour contracts.

The Chairperson invited Councillor Merry to make statement in which she said that Education was a top priority of the administration, that education doesn't end at the school gate and Adult Community Learning is vital as education is a route out of poverty. The success of the Learning for Life programme and its sustained delivery was noted.

Jane Thomas provided Members with a presentation outlining key information on Corporate Plan Actions, Performance Measures, Savings Proposals and Capital Programme.

The Chairperson invited questions and comments from Members;

- Members noted that Adult Community Learning was very important for community cohesion and for reducing isolation. Members were concerned that the prices are preventing people from accessing the courses and asked if there was a way to make the service self-funding. The Cabinet Member agreed with the benefits that Adult Community Learning Courses have and assured Members that they aim to keep the cost of courses as low as possible; in the current climate she could not commit to subsidise courses now or in the future. Officers added that they can only go with what the grant funds but aim to help fund or provide free provision for more vulnerable people. It was noted that some courses are quite expensive to run, the Council works on cost recovery rather than making a profit on the courses.

- Members considered that community learning sessions could be held in Hubs and libraries. The Cabinet Member explained that lots of events and activities are already held in Hubs and Libraries, many of which are free activities, so people's needs for community cohesion and reducing isolation can also be met in this way.
- Members considered that University Students could be involved in and support community learning groups.
- Members sought more information on the additional library based hub facilities. The Cabinet Member stated that there would be different approaches to different venues, there needed to be partnership arrangements in place and to make better use and expansion of existing facilities. It was added that even as they stand, libraries offer lots of activities for community involvement such as film nights etc.
- Members were pleased that the Hubs budget had been protected but remained concerned about the pressures that the introduction of Universal Credit in Cardiff will have on the service. Officers assured Members that they have planned for the pressures, the introduction of Universal Credit was in fact one of the drivers for the introduction of the Hubs. Work had been done to ensure that the Hubs and Libraries were ready for the pressures, over 90 PC's had been installed across the City, budgeting advice would be available at locations across the City and staff are fully trained up.
- With reference to the Book Fund, Members asked if officers were still confident that there would be no impact on the Council's ability to meet the Standards in the Welsh Libraries Framework. Officers assured Members that there would be no impact, Cardiff does well on replenishment and will keep its focus on Children's books and books in various languages.
- Members asked how Communities First were being kept involved in Employability. Officers explained that Communities First Staff dealing with employability will automatically come into the Council structure, this will be completed by 1 March 2018.

AGREED – That the Chairperson on behalf of the Committee writes to the Cabinet Member conveying the observations of the Committee when discussing the way forward.

49 : DATE OF NEXT MEETING

The next meeting of the Economy and Culture Scrutiny Committee is scheduled to be held on 13 February 2018 at 5.00pm in Committee Room 4 County Hall Cardiff.

***This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg***