

ECONOMY & CULTURE SCRUTINY COMMITTEE

15 FEBRUARY 2016

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

57 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Javed and Simmons.

58 : DECLARATIONS OF INTEREST

The following declaration of interest was made in accordance with the Members' Code of Conduct: -

<u>Councillor</u>	<u>Item</u>	<u>Interest</u>
Councillor Govier	Item 4	Environment (Parks) as former Cabinet Member, Environment taking decisions in relation to this portfolio.
Councillor Weaver	Item 4	As Assistant to the Cabinet Members for Active Travel & Wellbeing (incl. Libraries).

59 : MINUTES

The minutes of the meeting of the Economy and Culture Committee 14 January 2016 were approved as a correct record and signed by the Chairperson.

60 : DRAFT BUDGET PROPOSALS 2016-17 & CORPORATE PLAN 2016-18

The Committee was required to scrutinise ahead of approval by the Full Council those elements of the draft Corporate Plan 2016-18 and draft Budget Proposals 2016/17 that relate to directorates and services that fall within the remit of the Committee as set out in the report. The report also detailed the changes to the draft budget post-consultation; the risk status and impact of the proposals within Directorates.

The Chairperson welcomed the Cabinet Member, Corporate Services & Performance, Councillor Hinchey and the Corporate Director Resources, Christine Salter to the meeting.

Statement by Cabinet Member, Corporate Services & Performance

The Cabinet Member, Corporate Services & Performance put into context the Cabinet deliberations and draft budget proposal for 2016/17. The Council over the last 10 years had achieved £200 million savings, with £99 million of those in the last 3 years. The size of the budget gap 2016/17 for Cardiff had decreased from its forecasted gap of £45.6m in December 2015, largely due to a better than expected provisional budget settlement from the Welsh Government resulted in an additional

£11.56m. However the settlement remained challenging with a cut of £33.128m to be realised.

Councillor Hinchey referred to the city-wide public consultation and service specific consultation that received 3348 responses - one of the highest of comparable consultations undertaken by local authorities across the UK. The consultation mechanisms including public events; one to one; focus groups and discussions with partner groups; opposition groups and AM's and MP's.

The key priorities for the Cabinet's draft budget proposals were to ensure: -

- better education and skills for all;
- support for vulnerable people;
- creation of more and better paid jobs;
- transformation of services and partnership working.

Budget Overview

The Corporate Director Resources, Christine Salter presented the corporate overview summary ([presentation](#)) of the draft Cabinet budget proposals 2016/17 that further reinforced the challenges in setting a budget for 2016/17.

The Chair invited questions; points of clarification; and or comments on the information received. Those matters discussed are summarised as follows:

- clarification was sought on the assumptions used for the modelling of Medium Term Financial Planning;
- concerns were raised on the affordability of capital borrowing and restriction on capital projects;
- under the risk and planning status of 2016/17 Savings Proposals, concerns were raised on the achievability of proposals, particularly those still at the general planning stage;
- Members queried the peak in resources required to pay for General Fund Capital Programme, which it was noted related mainly to the schools building programme;
- comments were made on the robustness / reliability of the budget consultation outcomes as they did not reflect the changes to the budget proposals made after the provisional settlement announcement;
- concerns on the achievability of in year and future savings; lack of progress on the Alternative Delivery Models in Leisure, Culture and Infrastructure; and the risks to the budget of not achieving radical service changes;
- the qualitative data analysis of the consultation responses and whether this accurately reflected the views of citizens across the Cardiff region and the need to improve consultation methodology to be more inclusive. This was a matter that was explored more fully as part of consideration of the Consultation process and methodology.

Consultation Process

The Chairperson welcomed Edward Janes, Principal Research and Consultation Officer who presented ([presentation](#)) the results and feedback ([insert link](#)) from the *Changes for Cardiff* budget proposals report. Consultation on the Draft Budget Proposals ran from 11 December 2015 to 12 January 2016.

The city-wide public consultation was communicated and shared through a range of mechanisms, including face-to-face engagement events, service-specific consultation with identified service users/groups or organisation; and general consultation on internal changes within the Council such as:- back office efficiencies, staff changes and process improvements.

The officer drew attention to the data from areas within the specific remit of this Committee.

The Chair invited questions; points of clarification and / or comments on the information received. Those matters discussed are summarised as follows:

- the Committee recognised the level of response received to the consultation this year, and noted the Cabinet Members claim that the response rate was one of the highest of comparable consultations undertaken by local authorities across the UK.
- Members however noted that the total number of responses was approximately 800 fewer than received for the 2015/16 consultation;
- observations were made on the use of jargon and terminology in the consultation document. It was recommended that in future years a sample group of the public or an external organisation, be asked to assist in proofing the document, ensuring the document is accessible, understandable and not filled with needless technical terminology;
- Members appreciated that there is a fine balance to be struck in relation to the length of the consultation and the wording used within the questions. If overly long and complicated, response rates fall, but if overly simplistic the validity of the questions and results can be diluted;
- the Committee felt that this year some of the wording within the consultation document was vague, calling into question the usefulness of the results. For example, question 3 of the consultation document asked people whether they would support the Council charging more for some services – however there is no indication in the scale of the price increase, and no doubt there would be very different results to varied levels of price increase, or indeed for each different service that may be subject to price increases. This was one of a number of examples that could be cited and the Committee recommended that future budget consultation questionnaires are robustly validated by an outside organisation.
- Members reinforced comments made earlier on the relatively low levels of participation in the consultation process from the Cardiff East, and City and Cardiff South Neighbourhood Areas, particularly when compared to the level of response received from Cardiff North. It was considered that these disparities skewed the results toward the preferences of individuals from a different socio economic background, and did not accurately reflect the whole demographic of Cardiff. Members reiterated the need for greater effort to be focussed on increasing participation in the Southern Arc of the city;
- Members recommended that a weighting mechanism should be introduced in future years in an attempt to make the results more representative and to ensure that the views of individuals in the Southern Arc in particular are represented.

Economic Development Directorate

The Chairperson welcomed the Councillor Phil Bale – Leader, Economic Development & Partnerships; Councillor Peter Bradbury – Cabinet Member, Community, Development, Co-operatives & Social Enterprise; and Neil Hanratty – Director, Economic Development to the meeting and a brief ([presentation](#)) on the Economic Development budget proposals 2016/17 relevant to the remit of this Committee was delivered.

The Chair invited questions; points of clarification and / or comments on the information received. Those matters discussed are summarised as follows:

- Members were pleased to note that a number of proposals in relation to Arts and Culture in Cardiff had been removed from the budget proposals to Cabinet on Thursday 18 February. This was seen as a clear signal that the Cabinet had listened to the feedback received in the consultation process, and to the points raised following this Committee meeting in January 2016 and to the number of petitions in train to be presented to Full Council;
- the Committee welcomed the responsiveness and commitment to listening by the Cabinet Member, Community Development, Co-operatives & Social Enterprise to the views of stakeholders, groups and the public affected;
- it was noted that the more favourable settlement from the Welsh Government had been considered and used to support the arts and culture of the city averting reputational and confidence in the future support for the arts in Cardiff;
- Members noted the clarifications given by the Cabinet Member on the £430,000 saving to be achieved through a review delivery in Arts Venues (namely St David's Hall and the New Theatre); and that the future of these venues and the Arts Active programme are not under threat, but rather are subject to an ongoing procurement exercise to secure alternative management arrangements.
- the Committee noted that these venues current receive a subsidy in the region of £2 million, and the savings identified here are a conservative estimate of the anticipated reduction in this subsidy;
- Members underlined the importance of the cultural offer to the City in particular in terms of its 'liveability'; its contribution to bringing in top businesses, visitors and students to Cardiff as a destination of choice; contributing to the wellbeing and quality of life for Cardiff and the regions residents;
- the Committee encouraged the Cabinet to initiate further conversations as part of an ongoing programme of consultation and useful dialogue with the vast, active and passionate arts community within Cardiff to establishing genuine relationships between the Council and arts community in the city;
- Members wished to remind the Cabinet Member of the need to recognise the potential of crossovers where significant benefits can be delivered through art within areas such as social services, education and city regeneration. The Committee recommended that this be an area for discussion at the next Cultural Conversation meeting which the Leader and Chief Executive were actively leading and that services delivered by the Council are identified that would benefit from the expertise and creativity found in the arts community;
- Members noted the commitment given by the Leader to the continuation of partnership working and other ways of support being given to new initiatives for example the Tramshed; Educational and creative industry hubs; the Welsh Language Cultural Centre; pop up arts and the importance being made on engagement;

- the Committee welcomed the Leader's proposal for a Conference of the Arts to sponsor further engagement and set the roadmap for Cardiff.

City Operations Directorate

The Chairperson welcomed the Councillor Peter Bradbury – Cabinet Member, Community, Development, Co-operatives & Social Enterprise; Councillor Bob Derbyshire – Cabinet Member, Environment and Andrew Gregory – Director, City Operations to the meeting and a brief ([presentation](#)) on the Economic Development budget proposals 2016/17 relevant to the remit of this Committee was delivered.

The Chair invited questions; points of clarification and / or comments on the information received. Those matters discussed are summarised as follows:

Leisure Services

- in general the Committee was content with the City Operations Directorate savings proposals within the Budget Proposals 2016/17, and the aspirations set out within the Corporate Plan;
- the Committee however was concerned about delays to the Alternative Delivery for Leisure procurement exercise which were due to legal matters resulting in a delay in realising the efficiency savings in year. Members felt strongly that £850,000 savings had been identified from the procurement exercise had to be realised in 2016/17;
- it was noted that current Leisure provision was driving down costs and seeking to increase income to be more competitive which was supporting in-year and future year savings;
- the Committee questioned the Leisure Centres 'Invest to Save' Bid listed within the Capital Programme, and was informed that £4million will be allocated over the next three years to undertake priority works on the Councils leisure centre buildings, with repayment being achieved through increased footfall at the facilities;
- Members were unclear on the logic in investing substantial amounts in facilities that may soon be operated by alternative service providers, and how this was accepted as an 'Invest to Save' scheme as opposed a Capital scheme, but did recognise that as Council assets regardless of the outcome of the current procurement exercise that the Council financing of these improvements would remove an element of risk that may discourage bidders;
- Members were assured that there would be no closures of leisure centres in Cardiff and that no play centre would be closed before an alternative facility is confirmed, subject to ward member agreement; and that the intention was to have a range of centres in each locality with a mix of services provided.

Environment (Parks)

- Members had some reservations on the £450,000 saving to be achieved through the reshaping of grounds maintenance regime for the Council, and indicate that the Committee intended to monitor this proposal over the coming year because of the possible impact on areas of the city which would receive a reduced frequency of grass cutting;
- whilst the biodiversity of areas was welcomed in 2015/16 the reduction in the frequency of cuts in some areas not be received well in particular if it reduces the opportunities for informal play areas;

- the Committee anticipate that additional burdens would be placed on Community Councils to undertake additional grounds maintenance and hope that there are plans for Council rules and regulations to be relaxed to assist in this respect;
- Members noted the statement that there were no planned changes to the provision of parks pitches for outdoor sports, despite the proposals to reshape grounds maintenance services and to reduce the subsidy to outdoor sports;
- The Committee noted also that savings would also be achieved through restructuring and reshaping service divisions and lines of reporting.

Communities, Housing and Customer Services Directorate

The Chairperson welcomed the Councillor Peter Bradbury – Cabinet Member, Community, Development, Co-operatives & Social Enterprise; Councillor Dan De’Ath – Cabinet Member, Skills, Safety, Engagement and Democracy Environment and Sarah McGill – Director, Communities, Housing and Customer Services to the meeting and a brief ([presentation](#)) on the Economic Development budget proposals 2016/17 relevant to the remit of this Committee was delivered.

The Chair invited questions; points of clarification and / or comments on the information received. Those matters discussed are summarised as follows:

- the Committee noted the success of the Adult Community Learning service and ‘Into Work’ advice service and actions in the Corporate Plan to continue to build on the achievements already realised.
- Members were pleased with the delivery over recent years of the Hub Strategy, and noted the future programme as part of the 2016/17 budget which supports the clear strategic approach and vision for Community Hubs and co-location of services.
- Members noted that the mitigating Library service provision for Adamsdown and Roath Library; and the provisioning of the temporary mobile library service in Llandaff North.

At the end of the presentations the Chairperson thanked all the Cabinet Members and Lead Officers for their contribution and for responding to matters raised as part of this scrutiny. The Committee discussed the key messages and recommendations arising from their discussion as detailed.

RESOLVED – That the Chairperson, on behalf of the Committee, write to each of the Cabinet Members to convey the recommendations and observations as part of the Cabinet and Council budget setting process for 2016/17 and the adoption of the Corporate Plan. ([letters attached](#))

61 : DATE OF NEXT MEETING

The next meeting of the Economy and Culture Scrutiny Committee is scheduled for Thursday 17 March 2016 at 4.30pm in Committee Room 4.

(The meeting closed at 13.15)

Chairperson: _____

Date: _____