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Fy Nghyf / My Ref : CM41057

Dyddiad / Date: 22 February 2019

Councillor Ramesh Patel  
Chairperson  
Environmental Scrutiny Committee  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW

Annwyl / Dear Ramesh

**Environmental Scrutiny Committee – 18 February 2019**

Thank you for your letter dated 19 February 2019 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 21 February 2019.

**Capital Programme & future revenue budget pressures**

The Committee's comments reflect the approach taken in the Budget Report and as set out in the Capital Strategy. This identifies that whilst the proposed Capital Programme and the potential for further investment via the Affordability Envelope are both considered affordable and sustainable, further future investment will need careful consideration to identify any impact on the Council's borrowing levels and costs to the Revenue Account. In particular, where possible, capital investment should be self-funding in the long term and must be supported by a robust business case.

**Achieving Savings**

All savings proposals have been reviewed with directorates during the budget process with 81% of the total value of savings targets either already having been realised or having detailed plans in place. There will however always be some level of risk to the in-year achievement of savings targets and these are set out in the risk ratings that have been applied by directorates to individual saving

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**GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI**

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

**WORKING FOR CARDIFF, WORKING FOR YOU**

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proposals. This is particularly so, given the challenging level of savings that the Council has already had to achieve over a number of years as part of previous budgets. As I advised the Committee, whilst there may be savings that would be easier to achieve or that would have more certainty in terms of achievement, these often have significant negative implications for service delivery and to service users. This therefore requires more creative and more challenging savings to be identified through reviewing business processes and utilising digital technology, by identifying additional income sources and by putting in place measures to prevent escalation of need in areas such as Social Services. Whilst there will be risks associated with the achievement of these savings I believe it is important that the Council challenges itself in these areas before identifying savings that will reduce service delivery and impact negatively on service users. To reflect the fact that risks will be evident in this approach the proposed budget continues to maintain a £3.0 million General Contingency to mitigate for such risks and to support the on-going financial resilience of the Council.

### **Brexit**

PTE is developing a detailed assessment of the risks associated with Brexit, this work is being progressed as part of the Directorates risk register (Quarter 4 2018/19). The register will include identification of risk and the proposed mitigation to be out in place.

In respect of a Council-wide response, an officer Brexit Response Group chaired by the Chief Executive, has been in operation which supports the wider PSB work in preparing for the outcome of Brexit deliberations. Business Continuity plans continue to be tested in respect of the potential impact that Brexit may have as well as the new plans that are being put in place for Brexit specific risks such as the EU Settlement Scheme

### **Smart City Infrastructure**

I can confirm that the directorate will arrange to share the report to Scrutiny once completed.

### **Civil Parking Enforcement**

The budget saving will be achieved through a combination of reduced costs and increased income within the Civil Parking Enforcement (CPE) Account. This will include efficiencies associated with the review of the Appeals Policy and expansion of Moving Traffic Offences (no associated increase in administration costs). This is a ring-fenced account with any surplus achieved transferring initially into the Parking & Enforcement Reserve. Detailed projections for the CPE account and transfers to the reserve are set out in Appendix 18 to the Budget Report. The reason that the saving is identified as additional income in the budget savings proposal set out in Appendix 6 is that in relation to the revenue budget for Planning, Transport & Environment, this will be based on an additional contribution from the Parking & Enforcement Reserve.

### **Highways Investment – Financial Resilience Mechanism**

As identified in the Committee's letter, significant investment has been made in recent years in relation to localised highway asset improvement works and for road signs and lines. This has been possible because the Financial Resilience Mechanism (FRM) has provided an opportunity to allocate additional one-off

funding to priority areas, over and above the levels that might otherwise have been able to be funded as part of the financial pressures awarded in the budget. The FRM was initially set up as part of the 2016/17 budget in order to help the Council deal with the uncertainty around the funding levels it receives and is an important element in the overall financial resilience of the Council. It is used to invest in priority areas, but that investment must be one-off and decided afresh each year.

### **Clamping and Removal of nuisance vehicles**

Although the project commenced in January 2019 as expected, there remain some technical issues to be resolved between the Council and the DVLA before full roll-out can be achieved. It is anticipated that these will be resolved by the end of March and therefore the 2019/20 savings should be achievable.

### **WG Sustainable Transport Investment**

I can confirm that a letter will be sent to Welsh Government thanking them for their support.

### **Neighbourhood Services Cleansing**

The budget saving relates to re-balancing core street cleansing rounds and reshaping on an area basis to optimise the use of resources. The additional funding from the FRM, however, is to enable the continuation of the additional blitz team and slip road and roundabout cleansing currently funded by the FRM in 2018/19.

### **Zonal Cleansing**

I can confirm that Local Members are being engaged on the pilots and feedback sought on the pilot work will support improving the city wide area based working model.

### **Cardiff North Household Waste Recycling Centre**

I can confirm that the Cabinet report will be shared with your Scrutiny Committee prior to it going to Cabinet.

### **Achieving Recycling Targets**

I can confirm that a briefing paper is being developed and that the briefing will be presented at the next Environmental Scrutiny meeting.

### **Commercial Waste Contracts**

It would clearly be beneficial to increase the buy-in of the service by schools and the directorate will continue to work with the schools service to raise awareness of the commercial waste collection service.

### **Electric Vehicle Conversion**

The current proposal is to initially convert cars and smaller vans – 92 vehicles over the next 2 years. The infrastructure will need to be in place before acquisition of the electric vehicles. The capital infrastructure funding

will cover the purchase and installation of charge points at the Council sites. It is intended that a briefing will be presented at the next Environmental Scrutiny Meeting.

I hope that this letter captures all the points raised in your letter and thank you again for your support in the budget process.

Yn gwyir/Yours sincerely



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**Y Cyngorydd/Councillor Christopher Weaver**  
**Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member**  
**for Finance, Modernisation & Performance**