

ECONOMY & CULTURE SCRUTINY COMMITTEE

19 FEBRUARY 2019

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

57 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Simmons and Stubbs.

58 : DECLARATIONS OF INTEREST

None received.

59 : MINUTES

The minutes of the meeting held on 17 January 2019 were agreed as a correct record and signed by the Chairperson.

60 : 'EVENTS IN CARDIFF' INQUIRY REPORT

The Chairperson advised Members that this item enabled them to consider the draft Events in Cardiff Inquiry report. The task group had consisted of Cllr Gordon, Cllr Henshaw and Cllr Parkhill.

The Chairperson invited comments from Members.

Members thought it was a very interesting and topical inquiry, noting the Tourist Tax Levy in Edinburgh and stressed that they considered that this would not be appropriate at this time for Cardiff, which was stated clearly in the report.

Members referred to Recommendation 8 and considered that the cost to register with the International I Congress and Conventions Association for conventions and associated events, would be worth it if it provided the opportunity of links with other cities.

Members discussed the Triathlon and considered that the £8000 for the TV rights to the event would be a wise investment to have a wide International TV audience for Cardiff.

Members congratulated the work of the Task and Group for the report and welcomed the suggestion of a signature event to offset the high impact/short duration events.

Members welcomed investment in infrastructure solutions.

Members found the key findings in relation to hotel bed capacity and budget hotels particularly interesting.

RESOLVED: to endorse the report for submission to the Cabinet

61 : DRAFT CORPORATE PLAN 2019-2022 AND DRAFT BUDGETARY PROPOSALS 2019/20

The Chairperson advised that this item provided Members with an opportunity to consider those items in the draft Corporate Plan and draft Budgetary Proposals that fall within the responsibility of the Committee. Cabinet would consider these on Thursday 21st February, prior to Council on 28th February.

The cover report was structured by Cabinet Member portfolio and Members would be referred to the relevant paragraphs of the cover report throughout proceedings. Members would firstly receive a briefing on the Corporate Overview of the draft budget proposals. The budget proposals and relevant parts of the Corporate Plan would then be considered by Cabinet Member portfolio.

Corporate Overview

The Chairperson welcomed Cllr Chris Weaver, Cabinet Member – Finance, Modernisation & Performance, Christine Salter, Corporate Director Resources and Ian Allwood – Head of Finance to the meeting.

The Chairperson invited the Cabinet Member to make a statement in which he said that there was a budget gap of £32.4 million, which would be closed by a Council Tax rise of 4.9% and £19 million of directorate savings, most of which were the proposals that went to consultation in the Autumn. He was happy to say that the Financial Resilience Model was being taken forward almost in full apart from £200k and that the budget had been proposed with consideration being given to Capital Ambition, relevant legislation and the Future Generations and Wellbeing Act. It was stressed however that over the past decade the Council has had to find £200 million of savings and a further £105 million would need to be found over the next 4 years.

Members were provided with a presentation on the Cabinet Budget Proposal by Christine Salter after which, the Chairperson invited questions and comments from Members.

Members asked in relation to the Council Tax rise of 4.9%, if this needed to be revisited going forward. The Cabinet Member advised that the Council revisits this twice yearly, once when Budget Strategy goes to Council in July and again when it's a Budget Proposal to Council in February, the proposal is also included in the consultation. The Cabinet Member added that it is an illustrative figure and it was difficult to say what the actual figure would be over the coming years, it's an assumption that the Council has the opportunity to discuss on a number of occasions throughout the year.

Members referred to the rent increase for Council tenants and asked how this works in relation to paying out Housing benefit. The Cabinet Member explained that benefits are paid by Central Government, the element that relates to the Council is the Council Tax Reduction Scheme and this is taken into account and budgeted for.

Members asked if the LDP being behind target this year would have an impact on the budget. Officers explained that an exercise is carried out each year and the Council Tax base looks to March 2020, currently there aren't many LDP homes contained in this budget so there is very little impact. Annex 2 to the report looks at how the LDP

will be taken into account going forward including additional services required to service the new homes and the expenditure from Council Tax.

Members noted the 1000 new homes being built and that part of the funding is for the next tranche of new homes and asked what the breakdown cost per unit for each home was. Officers advised that the Corporate Plan states 1000 new homes by 2020 and a further 1000 new homes over the next 5 years, Housing would have the scale of charges for unit.

Members noted that there were £3.5 million of savings in the general planning stage which was higher than last year and asked how confident officers are that these can be realised, especially as currently at Month 9, not all of last year's savings were yet realised. Officers explained that they were increasingly confident, this year the large Social Services savings are supported by detailed plans and that hasn't been the case in previous years, which gives confidence. Work would continue with Directors to firm up plans and these would be monitored and reviewed along the way.

Members referred to the reduction in grants to major events, asking if this was cumulative and officers advised that it was.

Members asked about the consultation and how confident the Cabinet Member and Officers were that it was a representative sample, bearing in mind the very low youth response rate and asked how they had addressed the low response rate in the Southern Arc of the City. The Cabinet Member agreed that the youth response was disappointing and was not what they had hoped for, they would look at how this could be done differently and improved and share this with scrutiny. Overall efforts had been made to improve response rates, such as targeting low response areas with door to door consultation; this combined with Ask Cardiff gives some confidence that they are getting a good sense of the City's views; the response albeit quite low is actually good compared to other Local Authorities, however the responses do still tilt towards the North of the City and the more affluent residents.

Economic Development Directorate

The Chairperson welcomed the Leader, Councillor Huw Thomas, Ken Poole – Head of Economic Development and Jon Day – Operational Manager – Economic Policy to the meeting, noting Councillor Russell Goodway, Cabinet Member – Investment and Development, and Neil Hanratty, Director of Economic Development, had both sent apologies.

Leaders Portfolio and Investment & Development Portfolio

The Chairperson invited questions and comments from Members.

Members were pleased to see included in the Corporate Plan the City wide Performance Indicators against core cities, especially GVA per person and were also pleased to see Cardiff do well on the Graph on Employment Growth – City Performance. Members noted that Manchester had improved greatly in this area and asked if lessons could be learned. The Leader and Ken Poole explained that they have engaged with Manchester as the most successful city at attracting investment in the UK and Western Europe. They have secured a significant amount of City Deal funding to fund employment generating projects; they have also benefitted from an integrated approach to marketing the City, with all local authorities working as one

City over the last 15 years; this high profile allows them to reap the development of their efforts with long term commitment to generating investment.

Members were disappointed that there was no mention of a plan for Heritage buildings in the Corporate Plan, and whilst they understood that the Corporate Plan doesn't capture everything, they considered that this should be noted within the Plan, as it was last year.

Members referred to the decreasing budget for City Wide events and asked how this fits with the Cabinet's aspiration to increase City Wide events. The Leader explained that the tradition of continuing to fund ongoing events needs to taper off, funding would continue for those in the build-up stage and going forward the aim was to kick off new events with a view to them becoming self-sustaining.

Members asked for information on the key performance measures and were advised that they are job numbers, it is an annual target and that target has been doubled. Members referred to productivity lags compared to competitor cities and asked what action is being taken to address this. Officers explained that this was an analysis that was done with reference to sectoral productivity compared to core cities and that Cardiff had slightly underperformed. A response had been referenced in the draft Economic Strategy; there would be a focus on sector strengths such as the Creative Industries and Life Sciences; investment was needed to coalesce with the schools and universities; transport also impacts on this and the Metro will help. The Leader added that it was also important to take a Welsh view and a City view; Cardiff does well compared to Wales, less so with some core cities; it was important to target areas where Cardiff has strengths and potential for high value growth.

Members referred to the key role played by the Events team as noted in the current task and finish inquiry report and asked about the impact of deleting a post in this team in the savings proposals. The Leader agreed that the Events team do exceptional work for the City and that Cardiff 'punches above its weight' in this area. He considered however that there was in-house capacity and that the saving could be achieved whilst still delivering what was needed in a more efficient structure. Members referred to the deletion of a vacant post in Economic Development and asked what impact this would have on service delivery overall and if there was a missed opportunity to fill this post and bring in some expertise. Officers explained that they are always looking at ways to improve the service with more efficiency through working with Welsh Government and partners; they didn't consider that the deletion of this post would impact on performance, they would work smarter and in partnership with others.

Members noted the challenges of aligning the Corporate Plan with the budget and gave examples such as wishing to increase the visitor economy but reducing the tourism budget and improving the safety of the City but reducing the city management team budget by £40k; and asked how this can be achieved and if there was confidence that the Council could still deliver Corporate Plan ambitions and meet budgetary pressures. The Leader agreed that it would be a challenge, but service areas would be challenged to work more efficiently; there would be more partnership working with organisations such as Visit Wales, Cardiff Hoteliers Association and partnering with the ICCW so that Cardiff benefits; it was about working smarter across boundaries.

Members noted that there was reduction of £28k from the Economic Development Initiatives budget which would have been used for attracting new businesses, events etc. and asked how this will now be addressed. Officers explained that the Business Improvement District (BID) in the City would work effectively here to leverage additional resources from the private sector for this.

Members asked for more information on the Cardiff Canal Quarter and were advised that this was the area South of Queen Street – Guildford Crescent and Churchill Way; a report on this would be brought to a future scrutiny meeting.

Culture & Leisure Portfolio

The Chairperson welcomed Cllr Peter Bradbury, Cabinet Member – Culture & Leisure, Kathryn Richards – Head of Culture, Venues, Tourism & Events and Jon Maidment – Operational Manager – Parks, Sports, Leisure & Harbour Authority to the meeting.

The Chairperson invited the Cabinet Member to make a statement in which he said that although this was a difficult budget it was not as challenging as previous years had been for this directorate. He explained that the majority of savings would come from staff rationalisation such as voluntary redundancies and also from reducing subsidies to events. Other savings included £1.8 million from the GLL partnership deal, £6k from the closure of toilets in Caedelyn Park and from the transfer of buildings in certain parks where there had been interest in them. The Cabinet Member added that there would be more information on the New Theatre being brought to a future meeting soon.

The Chairperson invited questions and comments from Members.

Members referred to the review of funding arrangements for the Cardiff Harbour Authority and asked who was conducting the review and when the findings would be published. Officers advised that the review is being conducted by consultants employed by Welsh Government, called Local Partnership and would conclude at the end of March 2019.

Members referred to correspondence that Scrutiny Committee Members had received from Artes Mundi and to the reduction in the grant to the organisation. The Cabinet Member stated that the proposal was for a 50% reduction in the grant funding; this possibility had been communicated with the organisation for the past 3 years and unfortunately this year the Council is not in a position to continue funding at the current level. The Cabinet Member did not consider that it would affect the festival and the Council would help them with commercial opportunities and grant applications.

Members made reference to the closure of the toilets in Caedelyn Park and wondered about the timing of this and the current Public Toilet Strategy Consultation.

Officers explained that the toilets had been closed last year due to the state of repair as there was no other option.

Members noted the Corporate Plan references the increased role of Volunteers and Friends Groups in Parks but noted that there was no consideration for the increase of Park Rangers in the budget to support this. The Cabinet Member explained that they would always want more Park Rangers but at the moment the Council was not in a position to support that; Officers were confident that the target of 18,000 hours could be met as there was no reduction in the 2019/20 budget so that figure could be achieved. The Cabinet Member also stressed that there had been no increase in park fees for local sporting clubs etc.

Members noted that with reference to the New Theatre, the savings were at the general planning stage and asked if Officers were confident they could be made. Officers explained that they were fairly confident, they were moving quickly with things, the advert had gone out and there had been lots of interest; there was a new manager at the Theatre with commercial background and experience; they were trying to move the lease on quickly but also increase revenue at the present time. The Cabinet Member added that there had been a directive to move fast on this but that there should be oversight; it would need Scrutiny and Cabinet oversight too and there were legal parameters to work to, that is why it is listed as at general planning stage currently.

Members referred to the £54k in the Financial Resilience Mechanism budget for 'other' and were pleased to see this was being earmarked for playground maintenance and trees. Members asked if this would be for tree planting or maintenance; Officers stated that the detail of this had not yet been discussed with the Cabinet Member; the amount would need to be split between the playgrounds and trees but that the money would be spent; there was a rolling programme of playground maintenance and they were aware that there were improvements needed across the City.

Members noted that with regards to events, the Triathlon considered Cardiff to be excellent and that the water quality in Cardiff Bay was considered fantastic. Members asked if there had been any discussion with the Harbour Authority about open swimming and an artificial beach on the edge of the Bay. The Cabinet Member explained that there had been discussions at a local level, but this would need further work and be thoroughly tested; Officers explained that there were some technical difficulties as the water quality is not consistently great so cannot be guaranteed for events but there are opportunities to be explored. He added that there is a roped-off area for open water swimming at the White Water Centre in the Bay. The Cabinet Member added that he had met with the Triathlon recently and they are keen to hold the World Series event in Cardiff, this would need Welsh Government backing to be possible.

Communities & Housing Directorate

The Deputy Leader, Councillor Sarah Merry, Cllr Lynda Thorne, Cabinet Member – Housing & Communities and Jane Thomas (Assistant Director – Communities & Housing)

Education, Employment & Skills Portfolio

The Chairperson invited the Cabinet Member to make a statement in which she explained that Learning for Work was funded by Welsh Government Grant - this funding was anticipated to be reduced by 50% from September 2020, there would be a full service review which would be subject to a future report to scrutiny; Learning for Life was based on a cost recovery model which was making good progress; Llanover Hall would be self-financing by the end of the year and would also be celebrating its 50th year as a community arts centre soon.

The Chairperson invited questions and comments from Members.

Members noted that they had previously asked the service to explore options with regard to volunteers and subsidised courses and asked for an update on this. Officers explained that volunteers are used on courses and in Hubs for things such as Digital Inclusion and this was funded through Adult Community Learning; it was hoped that there would be some subsidised courses offered at Llanover Hall soon, via cross-subsidisation from other courses.

Members asked if the Grassroots project fell under Youth Services or Adult Learning for Life. Officers advised that it fell under the Hubs project but there is a Youth Service based there; Officers further advised that there were plans to make this a one stop shop for young people providing a huge range of services; there were plans in the planning process for an extension at the back of the building and there was a funding bid in to support council funding currently.

Housing & Communities Portfolio

The Chairperson invited the Cabinet Member to make a statement in which she said that the directorate had already achieved the £250,000 savings through a restructure which was good news. The service would continue to be improved through a roll out of the Community Wellbeing Hubs.

The Chairperson invited questions and comments from Members.

Members were keen to learn more about the details of the changes in terms of the Hubs strategy, what end results were wanted and what services would be offered in each Hub. Officers advised that there has been a review of staff levels across the libraries and training such as digital, general hub training and how to refer to services such as Independent Living Services, meals on wheels and support services has been provided. Each library would offer services that the community needs, these

would be identified through consultation; if any building modification was needed to meet these identified needs then funding bids would be put in for these. This has happened in Whitchurch and Rhydpennau and these consultations have led to changes in proposed plans; other consultations are due to happen in other parts of north Cardiff over the next few months.

Members asked for more information on line 33 with reference to Into Work Services and management costs. Officers advised that they have brought all grant funded services in-house, this means that when they get grants and the associated management costs these can then be offset.

RESOLVED: that the views of the Committee would be discussed during the way forward section of the meeting and a letter sent to the Cabinet Member in due course.

62 : URGENT ITEMS (IF ANY)

None received.

63 : WAY FORWARD

Members discussed the information received and identified a number of issues which the Chairman agreed would be included in the letters that would be sent, on behalf of the Committee, to the relevant Cabinet Members and Officers.

64 : DATE OF NEXT MEETING

14th March 2019 at 4.30pm, Committee Room 4, County Hall, Cardiff.

The meeting terminated at 6.35 pm