

## ECONOMY & CULTURE SCRUTINY COMMITTEE

15 OCTOBER 2015

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

### 28 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Howells and Hyde.

### 29 : DECLARATIONS OF INTEREST

There were no declarations of interest received.

### 30 : MINUTES

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

### 31 : THIRD SECTOR QUESTIONS - TRIAL

No questions were received.

### 32 : ARTS COUNCIL OF WALES - THE POTENTIAL OF THE ARTS IN CARDIFF

The Chairperson welcomed Sian Tomos, Arts Council of Wales, Director of Enterprise and Regeneration, David Alston, Director of Arts and Lisa Matthews, Portfolio Manager to the meeting.

The Chairperson invited the witnesses to make a statement, Sian Tomos thanked the chairperson for the invitation to attend the meeting, she stated that the Arts Council for Wales promotes Welsh Language Arts too; that the Arts sector is very vibrant and strong, and the Arts Council for Wales is looking for partnership working opportunities and ways to engage with more people. She added that Arts are now in a number of settings including out in the Community. It was noted that there was a £60m turnover in Arts, just from the regularly funded events.

Members were provided with a presentation on the Arts Council for Wales' Vision which included information on Attendance, Participation, Employment and Financial information. Sian Tomos further added that Arts should be seen as an investment as they do bring return for the economy; it needs an injection of public cash, its vibrant but fragile. She stated that Arts underpins life in Cardiff, with its cultural attractions and the way it embraces cultural sectors, its important for the student community, its an important tourist offer in conjunction with sporting events and the two shouldn't be divided; Arts is important for destination marketing and a driver for Cardiff's economy. She added that it was important to attract more artists to the already vibrant community in order that a step change can happen and the example of Shoreditch was given to highlight the success that can come from building on an Arts community.

David Alston stated that it was clear that Cardiff was in a very competitive situation to occupy on the world stage, as it is an international City; he provided examples of forthcoming projects such as Re-Imagine India which would focus on the Indian community in Cardiff. The example of the 'Ball in the Wall' was provided to show an innovative initiative that can do a lot for communication of international events. He stated that there was a menu of events that the City could offer such as Artes Mundi which was a huge event that linked across the world and had major international coverage; Cardiff Singer of the World was provided as another example of this.

Lisa Matthews provided the example of Womex, a huge music industry event that travels around Europe but is hosted in Cardiff and is used as a catalyst for the music industry across Wales. She stated that events such as this then leave a legacy and leads to events such as the Radio 2 folk awards being hosted in the Wales Millennium Centre. It was added that local events happen too such as Made in Roath, grassroots regeneration projects such as Abacus. She added that Arts can regenerate and reposition Cardiff and its communities and how Cardiff is perceived Internationally.

The discussion lead on to how Arts can be used in conjunction with public planning and urban design and that 7 projects were ongoing across Wales, in areas such as Swansea, Rhondda Cynon Taf and Merthyr, no bid was received from Cardiff.

Members were also informed of a project in Bangor where the University of Bangor were working in conjunction with Arts and Dementia and contributing to the Health Agenda.

Cardiff was described in terms of a healthy body where the National Museum, Royal College of Music, St David's Hall, Central Library, BBC, Callaghan Square, Loudon Square and Cardiff Bay were the spine, all walkable and explorable; areas such as Ely, Roath, Splott and Butetown were described as the lungs breathing life into the City, with emphasis placed on the importance of Cardiff's communities.

Members were advised of initiatives whereby Arts in Schools were enhancing creativity in the classrooms; and that Culture and Arts work together to create a liveable prosperous city, where regeneration, health, pleasure, engagement, jobs and wellbeing were a good case to be working more closely with the Council.

A closing comment was made that Cardiff is at a pivotal point, its future direction for the Arts is crucial. Cardiff needs to push forward as the Capital city for the benefit of Wales.

The Chairperson invited questions and comments from Members:

- Members asked if the £18.5m Arts Council of Wales funding was increasing. Members were advised that the trading environment for all public services is changing; they are majoring in fundraising, looking at local clients to embed themselves in local communities; conversations regarding building resilience were also taking place. It was added that they have been through an Investment review, looking at all who they want to keep, but budgets for next year had not yet been confirmed, so it was important to see how that reflects the list.

- A Member considered that Cardiff had the potential to be the City of Culture of the World and asked witnesses what they could do to promote Cardiff and improve venues and equalities. Members were advised that equalities were very important to them, they were disappointed with Improvements identified in the Investment Review and were taking them on as development strand, to see how they could reach the right people. The Member added that there was little knowledge of the Arts Council in the communities as to how they could express themselves.

Members were advised that there were a number of projects that happen such as Black History Month, but they are short term projects that end and don't necessarily accumulate experience; sometime events can be a catalyst to discovering local artists, so it was important to find a glue between different events throughout the City, and this is something that can be worked on.

- Members asked that as the Council faces significant budget threats, what advice can the Arts Council for Wales give on opportunities and threats that the Committee could look at next year with budget scrutiny. Members were advised that there was around £550k of Local Authority funding coming from various different sources, including a contribution from Cardiff, if this was considered as one whole offer then there would be less risk. It was added that a totality of spend in culture was needed at the next budget round, looking at the overall spend in Culture including Estates and s106 legislation.

Members asked if there was any Local Authority good practice to look at and were advised that Liverpool places Culture in all its budgets and Manchester has conserved its Culture budget.

- Members enquired whether there was any audit or gap analysis undertaken to identify what is missing culturally and were advised that a Cardiff audit had not been undertaken.
- Members noted the work that was being done with Arts and Dementia and asked if the outcomes of this work would be measured and the benefits shared to others. Members were advised that yes outcomes would be measured and the results of the work would be shared.
- Members considered that Wales is an exciting place to be culturally and that this puts pressure on Cardiff to preserve it and asked if the Arts Council for Wales supported that Cardiff incurs the burden for all of Wales. Members were advised that a CIPFA consultation closes soon on the very subject of regional responsibility for provision, they argue that there needs to be another mechanism for this. They added that they put £18.5m into Cardiff; Cardiff and National roles have a long and complicated history and now was the time to discuss them together. Cardiff has National Assets so therefore the dialogue needs to be National.

The Chairperson thanked the witnesses for attending the meeting, giving their presentations/views 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.

### 33 : CARDIFF BUSINESS COUNCIL - REVIEW

The Chairperson welcomed Councillor Phil Bale, Leader; Neil Hanratty Director of Economic Development, Ken Poole Head of Economic Development, Mark Lang (Publicani) and Nigel Roberts Chair of Cardiff Business Council to the meeting.

The Chairperson invited the Leader to make a statement in which he referred to the review of the Cardiff Business Council and saw this as an opportunity to look at arrangements and best practice in relation to the City Deal and with the funding due to end next March, an opportunity to look at what comes next.

Members were provided with a presentation on the Publicani Consulting report entitled ‘A Review of Cardiff Business Engagement Arrangements in the Context of the City Deal’, which included information on the Methodology, Interview Findings, Experience of Cities and Business Engagement, Conclusions and Recommendations.

The Chairperson invited Nigel Roberts to present his views in which he stated that the Cardiff Business Council (CBC) is actually very young and it was important to consider how it is handled going forward; CBC has been in various forms over the past 20 years and it was necessary to ensure that the reputation of the businesses involved and the work done to date are not devalued. The 3 years ring fenced funding had already been cut to 2 years. He stated that his view was that the CBC should be promoted to a City Region Level; people have given their free time to sit on the CBC, to ‘sell’ Cardiff and provide leverage, the example of Alert Logic’s inward investment in Cardiff was provided and that more deals like this one were needed.

Nigel Roberts added that they had been successful in securing match funding from the Private Sector and the Marketing Suite in the Assembly was provided as an example of this; but this private sector funding had petered out over the last few months since the announcement of the withdrawal of Cardiff Council funding. He stated that what the CBC morphs into next is very important as it ensuring that the reputation of the people involved in the CBC are not tarnished to suggest failure in any way as it has been a tremendous success.

The Chairperson invited questions and comments from Members:

- With reference to the Methodology of the survey Members asked whether people were anonymous or could be identified. Members were advised that comments are attributable but people are not named, there was a semi structured approach without closed questions so that people are more engaged; telephone surveys were not ideal and most interviews were conducted face to face. Members asked if it was subjective, and were advised that they were as they were down to the academic integrity of the person taking the interviews.
- A Member considered that it may be the wrong time for a change to happen, a review was undertaken when the CBC was just over one year old. The Member considered that there was too much emphasis on the City Deal.

Officers stated that the timing was right, not only due to the City Deal but also because the funding is being withdrawn next February. It was added that it has taken a long time to establish a City Regional Vehicle.

- Members asked whether CBC could continue as self funding as they had been successful in securing private sector funding. Officers stated they could only survive with the Councils contributions.

The Leader commended the commitment and enthusiasm of members of the CBC, but noted the significant budget pressures and considered there to be an opportunity through the City Deal to align fragmented elements of the region. He added that a solution was needed that is right for Wales, working with Welsh Government to ensure businesses are involved.

Nigel Roberts stated that in relation to finances the CBC were doing very well, they had received a huge contribution from Aviva and other major businesses in the City, he stated that the only reason they wouldn't be self funding was that the link to the Council would be cut and that people thought that would enable influence. He added that the review had suggested failure in some way so the private sector funding had collapsed; he stated that he was working with officers and Welsh Government as to what will happen next.

- Members asked what contact there has been with other business networks in the city region; and asked for further information on the leadership board such as secretariat. Members were advised with regards to the Leadership Board, what had been evident from the surveys was that people wanted to maintain their locality, a 2 tier structure was considered, strategic and then a wider spectrum; less Councillors would allow a wider representation, and responsibilities could be rotated. The Leader added that he and the Chief Executive had visited all the Local Authorities and arrangements vary in each, taking the City Deal forward provides an opportunity to address this, and action plan needed to be produced quickly and interim plans put in place. With regards to funding, when the Leader had talked to other Leaders and Chief Executives, in principal they felt that they could support the funding of the City region Leadership Function.
- Members could see how the 2 tier structure would work but enquired whether that was the commitment that businesses were making. Members also noted that in regard to funding, presumably Cardiff couldn't afford to make the same contribution as previously given to the CBC. Officers explained that Cardiff's contribution would initially be £500k reducing to £340k and that an allocation had been made for this in the budget for base funding going forward. Officers agreed that a long term sustainable approach to funding was needed, there is willingness from Welsh Government and Local Authorities to make contributions, and now was the time to do what should have been done geographically. Over the next few months, work would be done to understand these contributions and shape what is going to be taken forward, eventually it could become self funding.

Nigel Roberts stated that there were Local Enterprise Partnerships in England, Economic Growth Funds in England, BID's and City Deals in other places; he considered that Cardiff was on the back foot and should be looking upward

and increasing funding; he considered that with reference to Governance, this needed dynamism.

- Members understood the need to regionalise but asked how Cardiff could hold on to the dynamism, good will and good work that had been done by the CBC. Officers stated that the funding was still there until March next year and some great events were planned. Officers provided the commitment that the marketing suite would stay. Officers added that they did not think they were losing momentum, they want to engage with the private sector businesses like Legal and General; they have a priority to grow the City and provide jobs for the citizens, and would continue to push for the City Deal.

Nigel Roberts considered that the Welsh Government should provide funding; that Local Authorities would only contribute if they get something back; that a charm offensive and selling the region was needed; a new entity needed very clear strategic objectives. He added that the Welsh Government were very supportive of the work that CBC had done and he considered that it should be promoted and the momentum increased.

The Leader committed to move quickly with the Action Plan, he added that they were all going in the same direction and a mechanism was needed to provide strategic engagement of business; its about building on the success of the CBC and moving forward rather than starting from scratch.

- Members were concerned that receiving funding from Local Authorities on a voluntary basis would not work; a Member considered that the Welsh Government should allocate what contributions are made based on population with no option to reduce, as all would have different interests and some would benefit more than others. The Leader agreed that they needed to be locked into a proper regional arrangement, with base funding which leverages private sector funding.

The Chairperson thanked the Cabinet Member, Officers and witnesses for attending the meeting, giving their presentations/views 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.

#### 34 : CORRESPONDENCE

The Committee received copies of correspondence sent and received in relation to matters previously scrutinised by this Committee.

AGREED – That the correspondence report and attached documentation be noted.

#### 35 : DATE OF NEXT MEETING

The next meeting of the Economy & Culture Scrutiny Committee is scheduled for 5 November 2015 at 4.30pm in Committee Room 4, County Hall.