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Budget 2024/25 Update Provisional Settlement & Consultation 10th January 2024



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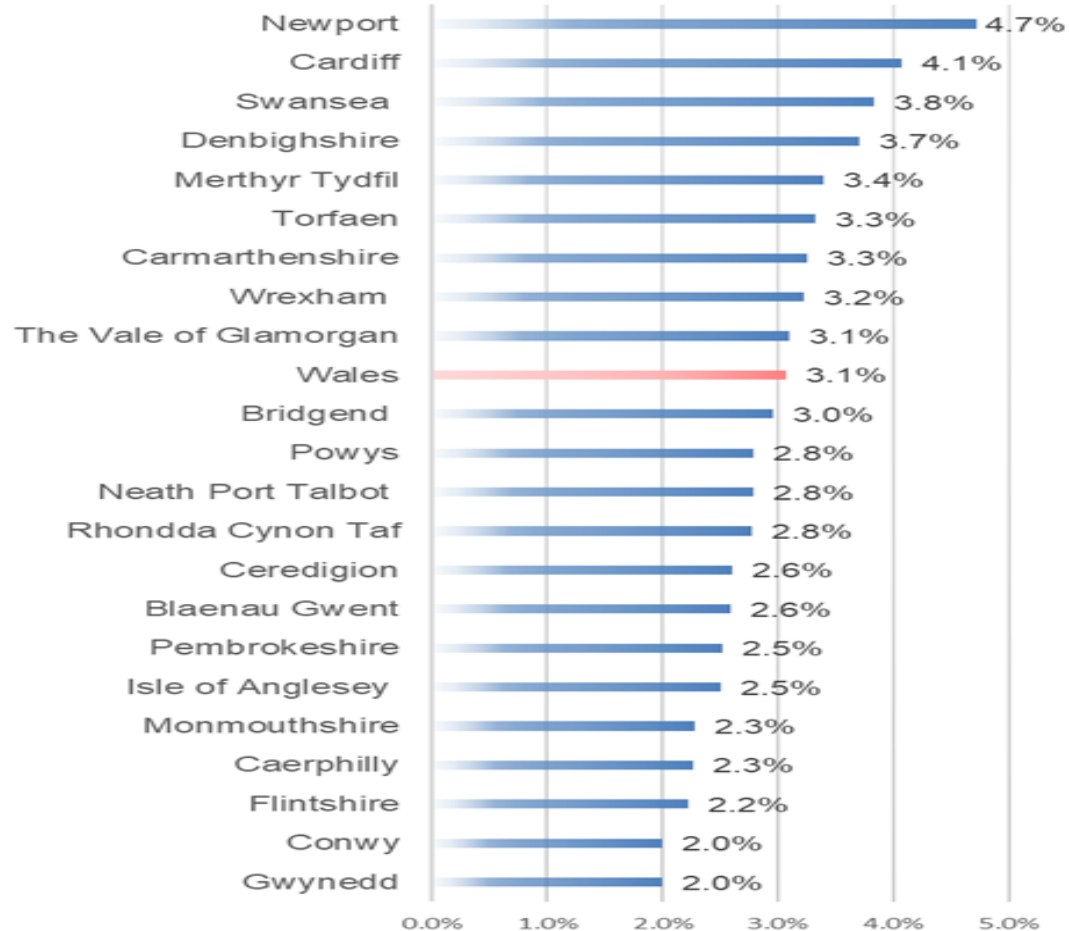
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Provisional Settlement Headlines – Revenue



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Overview of Non-hypothecated Funding Wales

- Welsh average increase: 3.1%
- Range: 2.0% (Gwynedd & Conwy) - 4.7% (Newport)
- Floor funding mechanism in place at 2% (cost £1.3M)

Cardiff

- Cardiff: 4.1% - second highest in Wales (Cash £24.246m) (last year increase was £48M)
- Positive formula impacts – population and pupil numbers
- Negative formula impacts – FSM , tourism and transport

No further year indicatives included

Some caution / risks – in particular around Specific Grants



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Budget Gap 2024/25

(AT Provisional Settlement Announcement)

Elements of the Budget Gap 2024/25		£000
Budget Gap	Employee Related	22,000
	Prices	11,587
	Commitments & Realignments	11,687
	Capital Financing	3,591
	Demographic Pressures	7,213
	Gross Pressures	56,078
	Funding	(25,587)
Net Budget Gap	30,491	
Draft Strategy	Modelled Council Tax (+3%)	5,209
	Savings Required	25,282
	Total	30,491



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- Settlement reflected +4.1% (additional £5.171m including tax base)
- Savings requirement - £25.282 million (assuming 3% modelled Ctax publicly at this stage)

Budget Modelling Update



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	£000	Reflects
Budget Gap	30,490	Resources required less resource available
Council Tax increase	(5,209)	Draft only - modelled at 3%
Efficiency Proposals & Corporate Savings	(10,354)	No impact on Service Delivery
Shortfall still to be addressed	14,927	

The shortfall still to be addressed will be bridged through a combination of factors. Subject to consultation, these may include:

- Service change proposals to be included post budget consultation, if agreed.
- Finalisation of the position on schools' budgets for 2024/25
- Further scope to extend efficiency proposals.
- Further consideration of funding sources that are within the Council's control – including Earmarked Reserves and Council Tax.



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Budget Consultation - Overview



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Two Stage Approach:

- **Ask Cardiff Survey 2023: *Helped shape budget priorities***
 - Ran from Monday 9th October to Sunday 19th November 2023
 - Included questions to identify budget priorities for both the 2023/24 financial year and the longer term.
 - 3,187 responses received.
- **Budget Consultation: *Seeking public views on specific proposals***
 - Will run from Monday 8th January to Sunday 4th February 2024
 - Report on consultation findings to be published 19th February 2024.
 - Survey developed in accordance with legal and good practice considerations, including the “Gunning Principles”.



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Budget Consultation - Methodology



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- Times Series Comparisons:

Year	Response
2023/24	5,932
2022/23	1,547
2021/22	2,870
2020/21	1,661
2019/20	2,078

- Summary:

- Very high response rate compared to other parts of Wales and UK Core Cities, but...
- Improvements in 2023/24, but still low response rate from certain groups including children and young people, Minority Ethnic Communities, older people (over 75s) and areas with higher deprivation.



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Budget Consultation: Promoting Participation



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- **Universal Promotion**

- Online and Hard Copies
- Shared on corporate social media accounts
- Shared with Citizen's Panel
- Hard copies in English, Welsh, Arabic, Polish and Bengali distributed via Hubs, libraries and other community buildings
- Staff Information and the staff intranet and via Public Services Board partners



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Budget Consultation: Promoting Participation



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- **Targeted Promotion:**

- Targeted online advertising aimed at seldom heard groups
- Online and hard copies of the survey being made available in English, Welsh, Arabic, Polish and Bengali
- Hard copied provided to Councillors representing wards with historically low response rates
- Distributing copies in places of worship, including churches and mosques
- Working with Community Inclusion Officers to identify local events, groups and networks
- Use of established fora and networks to promote the consultation including: Access Forum; Over 50s Forum; Youth Council and Panel
- Child Friendly Version developed with Child Friendly Cardiff Team
- Sharing and promotion with Partner Organisations working with Seldom-heard groups
- Employee Networks supporting through sharing and promoting: LGBTQ+; BAME; Disability Networks.



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Ask Cardiff: Headline Findings Budget Priorities - Next Financial year



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Budget Priorities for the next financial year (2024/25)	Score in 2023 (out of 12)	Score in 2022 (out of 12)
Schools and Education including Youth Services	9.3 ▼	9.5
Supporting vulnerable children and families	8.7 ▼	9.2
Supporting vulnerable adults and older people	8.4 ▼	8.7
Recycling and Waste Services including collections, disposal and Recycling Centres	7.9 ▲	7.6
Housing and Homelessness Services	7.8	7.8
Highways and Transport	6.9 ▲	6.2
Neighbourhood Services such as street cleansing	6.7 ▲	6.5
Major projects including infrastructure to support businesses, local economy, city centre and local community centres	5.4 ▲	5.1
Libraries and Community Hubs	5.3 ▼	5.4
Parks and Sport	5.3 ▼	5.5
Delivery of the One Planet Cardiff Strategy	4.4 ▼	4.6
Culture, Venues and Events	4.0 ▼	3.8



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Ask Cardiff: Headline Findings Budget Priorities – Longer term



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Budget Priorities for the longer term	Score in 2023 (out of 12)	Score in 2022 (out of 12)
Schools and Education including Youth Services	9.3 ▼	9.7
Supporting vulnerable children and families	8.6 ▼	9.0
Supporting vulnerable adults and older people	8.3 ▼	8.5
Recycling and Waste Services including collections, disposal and Recycling Centres	7.6 ▲	7.5
Housing and Homelessness Services	7.7 ▲	7.5
Highways and Transport	6.8 ▲	6.2
Neighbourhood Services such as street cleansing	6.3 ▲	6.0
Major projects including infrastructure to support businesses, local economy, city centre and local community centres	5.8	5.8
Parks and Sport	5.1 ▼	5.3
Libraries and Community Hubs	5.2	5.2
Delivery of the One Planet Cardiff Strategy	4.9 ▼	5.2
Culture, Venues and Events	4.1 ▼	3.8



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Next Steps



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- Ongoing refinement and analysis of base requirements, savings proposals and modelling
- Consultation ends 4th February 2024 – Cabinet consider consultation feedback in drafting final budget proposal
- Late Feb / Early March – Budget Scrutiny
- Council consideration of Cabinet’s draft budget proposal – 7th March 2024



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