

2016-17 BUDGET PROPOSALS – FOR CONSULTATION

Purpose of Report

1. To provide Members with an overview of those sections of the Cabinet's '*2016/17 Budget Proposals – for Consultation*', that relate to the portfolios and Directorates falling within the remit of this Committee.

2. The scope of the scrutiny is as follows:
 - To clarify which of the '*2016-17 Budget Proposals- for Consultation*' fall within the remit of this Committee;
 - To receive evidence from relevant stakeholders that have asked to address Committee regarding these proposals; and
 - To pass observations, comments and recommendations to Cabinet as part of the Budget Consultation process.

Structure of Papers

3. Attached to this report as **Appendix A**, Members will find an extract of the relevant sections of the '*2016/17 Budget Proposals – for Consultation*', divided by Directorate. Proposals that fall within this Committee's terms of reference have been colour coded as follows:
 - City Operations (**Pink**)
 - Communities, Housing and Customer Services (**Orange**)
 - Economic Development (**Green**).

Background

4. The Council's Constitution allows for Scrutiny Committees to consider the Cabinet's draft budget proposals for the year ahead prior to their consideration by the Cabinet and Full Council. At Cabinet on 10 December 2015, Cabinet agreed to a set of 2016/17 budget proposals being issued for consultation. Cabinet also agreed to a series of consultation and engagement processes, as set out below.
5. Consultation on the 2016/17 budget proposals will take the following form:
 - **City-wide Public Consultation** on issues of general interest as set out in the "*Changes for Cardiff*" consultation document.
 - **Continuation of city wide proposals consulted on as part of the 2015/16 budget** such as Youth Services, Hub Strategy and Highways Waste Recycling Centres.
 - **Service Specific Consultation** with identified service users / groups of organisations.
 - **General Council Consultation** – this includes internal changes within the Council including back office efficiencies, staff changes, process improvements and broader changes around income generation and other service implications.
6. The online consultation document in respect of 2016/17 budget proposals was launched on Friday 11 December 2015, with hard copies distributed to Hubs, libraries and leisure centres. The consultation closes at midnight on Tuesday 12 January 2016. Following this, the results of the consultation will be analysed and considered by Cabinet when finalising their 2016/17 Budget Proposals for consideration by Council.
7. In addition, a *Stepping Up Toolkit*¹ has been produced for people and community organisations at a neighbourhood or community level, which sets out how to approach taking over the management of services and assets.

¹ Available at: <https://www.cardiff.gov.uk/ENG/Your-Council/Council-finance/Council-Budget/2015-16/Documents/Stepping%20Up%20Toolkit.pdf>

8. The results of the consultation and engagement events will be considered by Cabinet and the draft Cabinet budget proposals will be taken to scrutiny committees in February for consideration, as per the timetable below:

| | |
|--------------------|--|
| Mon 15 Feb – 10.00 | Economy & Culture Scrutiny Committee |
| Mon 15 Feb – 14.00 | Community & Adult Services Scrutiny Committee |
| Tue 16 Feb – 10.00 | Children & Young People Scrutiny Committee |
| Tue 16 Feb – 14.00 | Environment Scrutiny Committee |
| Wed 17 Feb – 10.00 | Policy Review & Performance Scrutiny Committee |

9. At the Cabinet Business Meeting on Thursday 18 February 2016, Cabinet will meet to finalise the proposed 2016/16 budget for consideration by Full Council, which meets on 25 February 2015. Therefore, please note that the budget information provided for consideration alongside this report is for the purpose of consultation only.

Overview of Proposals

City Operations - 2016/17 Budget Proposals – for consultation

10. The City Operations Directorate savings proposals that fall within this Committee's terms of reference are **shaded pink in Appendix A**. Overall, there are savings proposals of **£8,477,000** for the whole Directorate, of which **£1,815,000** falls within this Committee's terms of reference. Those which fall under another scrutiny committee are shaded grey.
11. The savings proposals within this Committee's terms of reference cover the following areas:
- Canton Community Hall – Line 1 - £43,000
 - Cardiff International Sports Stadium – Line 2 - £78,000
 - Alternative Delivery for Leisure – Line 3 - £1,000,000
 - Insole Court – Line 4 - £59,000
 - Parks business administration – Line 6 - £24,000

- Tree Management – Line 7 - £25,000
- Parks Income – Line 8 - £41,000
- Grounds Maintenance Service – Line 9 - £450,000
- Outdoor Sports Facilities – Line 10 - £50,000
- Victoria Park Paddling Pool – Line 11 - £45,000.

12. These savings are broken down into the following categories:

| Category | Saving |
|-----------------|-------------------|
| Employee costs | £282,000 |
| Other | £293,000 |
| Income | £240,000 |
| TBC | £1,000,000 |
| Total | £1,815,000 |

Communities, Housing and Customer Services - 2016/17 Budget Proposals – for consultation

13. The Communities, Housing and Customer Services Directorate savings proposals that fall within this Committee’s terms of reference are **shaded green in Appendix A**. Overall, there are savings proposals of **£1,359,000** for the whole Directorate, of which **£429,000** falls within this Committee’s terms of reference. Those which fall under another scrutiny committee are shaded grey.

14. The savings proposals within this Committee’s terms of reference cover the following areas:

- Adult Community Learning – Line 56 - £49,000
- Libraries / Hub Strategy – Line 57 – £250,000
- Into Work Services – Line 58 - £130,000.

15. These savings are broken down into the following categories:

| Category | Saving |
|-----------------|-----------------|
| Employee costs | £295,000 |
| Other | - |
| Income | £134,000 |
| TBC | - |
| Total | £429,000 |

Economic Development - 2016/17 Budget Proposals – for consultation

16. The Economic Development Directorate savings proposals that fall within this Committee's terms of reference are **shaded pink in Appendix A**. Overall, there are savings proposals of **£1,494,000** for the whole Directorate, of which **£1,135,000** falls within this Committee's terms of reference. Those which fall under another scrutiny committee are shaded grey.

17. The savings proposals cover the following areas:

- Economic Development Income – Line 68 - £88,000
- Economic Development reduced service – Line 71 - £15,000
- Economic Development Revenue Budget – Line 74 - £51,000
- Cardiff Business Council – Line 75 - £120,000
- City Centre Management Income – Line 77 - £45,000
- Tourism reduced service – Line 78 - £47,000
- Tourism Income – Line 79 - £33,000
- Arts Grants reductions – Line 80 - £68,000
- Artes Mundi grant – Line 81 – £20,000
- Arts Venues and Arts Active – Line 82 - £430,000
- Cardiff Singer of the World – Line 83 - £36,000
- Cardiff Contemporary initiative – Lines 84 and 85 - £87,000
- Function rationalisation – Line 86 - £95,000.

18. These savings are broken down into the following categories:

| Category | Saving |
|-----------------|-------------------|
| Employee costs | £289,000 |
| Other | £380,000 |
| Income | £166,000 |
| TBC | £300,000 |
| Total | £1,135,000 |

Equality Impact Assessments

19. Each proposal within the 2016/17 Cabinet Budget Proposals for Consultation is given a rating in terms of Equality Risk. Any proposal given a red or red-amber Equality Risk Rating is subject to a full Equality Impact Assessment.
20. The Draft Equality Impact Assessments of Budget Proposals 2016/17 can be found on the following website.
<https://www.cardiff.gov.uk/ENG/Your-Council/Council-finance/Council-Budget/2016-17/Pages/Equality-Impact-Assessment-Budget-2016-17.aspx>

Links to the EIAs of proposals that fall under the Terms of Reference of this Committee are given below:

City Operations

- Alternative Delivery Model for Cardiff International Sports Stadium ([link](#))
- Alternative Delivery Model for Leisure ([link](#))
- New operator for Canton Community Hall ([link](#))
- Insole Court Community Asset Transfer ([link](#)).

Communities, Housing & Customer Services

- Continued roll out of the Libraries Hub Strategy ([link](#)).

Economic Development

- Arts Venues Review of Costs Income and Service Delivery inc. Arts Active ([link](#))

Reduce Arts Grants to Organisations ([link](#))

Remove Arts Grant to Artes Mundi ([link](#)).

Representations from Stakeholders

21. At the Economy & Culture Scrutiny Committee meeting held on 3 December 2015, it was noted that people and stakeholders affected by the cuts may wish to approach the Committee to express their views. It was agreed that time would be allocated in the meeting to be held on 14 January 2016 to receive representations from stakeholders.
22. Attached at **Appendix B** is a summary of the stakeholders scheduled to make representations at the Committee meeting on 14 January 2016 (subject to confirmation).

Way Forward

23. Members have the opportunity to reflect on the '*2016-17 Budget Proposals – for Consultation*' that fall within this Committee's terms of reference and to hear from relevant stakeholders who have asked to address Committee on these.
24. Following consideration of the information received and evidence heard, the Committee may wish to provide its comments, observations and recommendations to the Cabinet for their consideration.

Legal Implications

25. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b)

comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

26. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATION

27. The Committee is recommended to give consideration to the information attached to this report and received at this meeting and to submit any recommendations, observations or comments to the Cabinet.

Marie Rosenthal

Director of Governance and Legal Services

8 January 2016