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## GOHEBIAETH YN DILYN CYFARFOD Y PWYLLGOR

**Pwyllgor** PWYLLGOR CRAFFU'R ECONOMI A DIWYLLIANT

**Dyddiad ac amser  
y cyfarfod** DYDD IAU, 9 MAI 2019, 4.30 PM

Gweler isod gohebiaeth anfon gan Gadeirydd y Pwyllgor ar ôl y cyfarfod , ynghyd ag unrhyw ymatebion a gafwyd

Am unrhyw fanylion pellach, cysylltwch â [scrutinyviewpoints@caerdydd.gov.uk](mailto:scrutinyviewpoints@caerdydd.gov.uk)

13 **Gohebiaeth yn dilyn Cyfarfod y Pwyllgor** (*Tudalennau 3 - 8*)

Mae'r dudalen hon yn wag yn fwriadol

My Ref: T: Scrutiny/Correspondence/Cllr NH



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Date: 13 May 2019

Councillor Peter Bradbury  
Cabinet Member, Culture & Leisure  
Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

Dear Councillor Bradbury,

### **Economy & Culture and Environmental Scrutiny Committee: 9 May 2019**

Thank you for attending Committee, along with Neil Hanratty, Jon Maidment and Howel Jones (Local Partnerships), to present a briefing on the initial findings of the Local Partnerships review of the Cardiff Harbour Authority (CHA). Members appreciate early appraisal of Howel's initial findings and thoughts and note the following:

#### **Costs**

- Over the last five to six years, there has been a reduction of approximately 20% in the CHA budget, amounting to circa £1 million;
- Overall, the CHA budget balances; however, it is not straightforward to identify CHA costs by function;
- Howel wishes to undertake further analysis of the costs for support services, supplies and services, services provided by Cardiff Council to the CHA via Service Level Agreements, such as for ICT and Street Cleansing, and the costs of contracted-out services e.g. dredging.

#### **Activities**

- These are all as required or mandated by the 1993 Cardiff Bay Barrage Act or the s165 agreement and its' various deeds of variation.

#### **Savings**

- The level of savings sought by Welsh Government is to be confirmed;
- CHA has identified approximately £250,000 savings from 2020/21 re groundwater monitoring and control and from Natural Resources Wales' involvement re fish migration;
- CHA has identified potential savings, which require further discussion as they would result from changes to existing operations, for example changing the times of operation of fish passes, changing the regime for monitoring the levels of dissolved oxygen etc.

Members were interested to hear Howel's thoughts about either the need for a return to three-year settlements, as opposed to sub-optimal annual settlements that do not allow for a planned approach, or a wider conversation about transferring the budget from Welsh Government to Cardiff Council. This requires careful consideration and Members were reassured to hear your thoughts about the pros and cons of a budget transfer, in particular the need to ensure protection from top slicing.

Members also note that it would be useful to consolidate the s165 agreement, which would require the consent of both the Welsh Government and Cardiff Council, and to determine which department of Welsh Government is best suited to be the lead from their side in discussions about CHA.

Members were particularly interested in the discussions around asset management and the issues with the contingency fund. With regard to assets, Members note the need for an independent survey to provide expert determination of the level of sinking fund required. Members wish to know who will bear the costs of this survey and I would be grateful if you would clarify this in your response to this letter.

With regard to the contingency fund, Members note the amount in it does not provide a sufficient buffer and that therefore discussions should be held to determine the viability of future capital receipts that could be released via land sales. If these discussions find that there would be insufficient capital receipt, then Howel suggested discussions should be held between the Welsh Government and Cardiff Council to agree to be jointly liable for any unexpected but necessary expenditure.

It is clear from the emerging findings that there remain significant areas for discussion and negotiation between Cardiff Council and Welsh Government. Members have asked that I highlight that we will wait to see what the final review report says and then decide the level of scrutiny required to ensure an appropriate level of challenge. We anticipate that the final review report will be available late Summer- early Autumn 2019.

In the meantime, we will share our '*Cardiff Harbour Authority*' Inquiry report (2010), which explores some potential areas for savings and looks at the risks to the Council, with Howel Jones, as it may be of use.

Yours sincerely,



**COUNCILLOR NIGEL HOWELLS**  
**CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE**

cc Members of the Economy & Culture Scrutiny Committee  
Neil Hanratty Jon Maidment  
Howel Jones – Local Partnerships Cabinet Support Office

My Ref: T: Scrutiny/Correspondence/Cllr NH

Date: 13 May 2019

Neil Hanratty  
Director of Economic Development  
Cardiff Council  
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Dear Neil,

**Economy & Culture Scrutiny Committee 9 May 2019: Dumballs Road  
Regeneration and Cabinet Response to 'Council Workshops & Innovation  
Premises' Inquiry**

Thank you for attending Committee with Chris Barnett and Jonathan Day, and for passing on Councillor Goodway's apologies.

**Dumballs Road Regeneration**

With regard to the pre-decision scrutiny of the report to Cabinet on Dumballs Road regeneration, Members were interested to receive the update and wish to thank you for clarifying the following:

- That originally, in view of the contents re affordable housing, the draft report was a joint report of Councillor Goodway and Councillor Thorne, with yourself and the Corporate Director: People & Communities seeking delegated authority. However, legal services advised that it would be more appropriate to have the report in Councillor Goodway's name only and for authority to be delegated to you, given that the decision relates to the disposal of land.
- That there are no costs to the Council with regard to site '*meanwhile uses*', currently or in the future.

With regard to employment uses, we note your response at Committee that there will be opportunities for ground floor usage, particularly along the riverfront and particularly for creative industries, as well as cultural, leisure and commercial office usage.

Members have asked me to reiterate their strong desire for the Dumballs Road regeneration to lead the way in demonstrating the achievability of mixed-use spaces that enable residents to live and work in the same location, which will help to tackle the climate change emergency we face, as discussed at our last Council meeting.

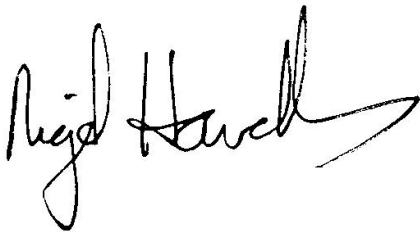
Members have asked that I stress that the points we made following our scrutiny in October 2018 still stand and we will look to see how these have been addressed when we scrutinise future proposals for this site; to this end, I have attached our previous letter and Councillor Goodway's response.

**Cabinet Response to 'Council Workshops & Innovation Premises' Inquiry**

Members are pleased to note that six out of our nine recommendations are accepted, with another three partially accepted. It is usual for scrutiny committees to schedule monitoring of the implementation of recommendations. Having noted that separate reports will touch on some of the areas covered by the Inquiry – for example the separate report to Cabinet on proposals re creative industries space at Chapter Arts Centre – Members have decided to recommend to a future Committee that they schedule a progress report on this for April/ May 2020.

Once again, thank you to all for attending. This letter does not require a response.

Yours sincerely,



**COUNCILLOR NIGEL HOWELLS  
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE**

cc Members of the Economy & Culture Scrutiny Committee  
Cllr Russell Goodway  
Chris Barnett            Jonathan Day            Clair James  
Cabinet Office

**SWYDDFA CYMORTH Y CABINET  
CABINET SUPPORT OFFICE**

Fy Nghyf / My Ref: CM41521

Dyddiad / Date: 23rd May 2019

Councillor Nigel Howells  
C/O Member Services  
County Hall  
Atlantic Wharf  
Butetown  
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Annwyl/Dear Nigel

**ECONOMY & CULTURE SCRUTINY COMMITTEE 9 MAY 2019**

Thank you for your letter dated 13<sup>th</sup> May.

In respect of the observations and comments made by the Committee I would advise as follows:-

I agree that the budget matters discussed required careful and detailed consideration in particular any proposal to transfer budget responsibilities and the term of financial settlement periods moving forward.

Asset Management is a critical issue and I am pleased to report that a brief is being developed to commission an independent assessment to infrastructure and to inform a robust costed plan for 2020/21 and beyond. The costs associated with the development of the brief will be met through the Welsh Government Grant.

Any changes relating to the Project and contingency fund and S156 Agreement can only be made subject to agreement between both parties and I envisage further rounds of discussions in order to secure such agreement in doing so protecting the interests of the Council.

I will make the final report available to the committee, once received.

Yn gywir  
Yours sincerely

**Y Cynghorydd / Councillor Councillor Peter Bradbury  
Aelod Cabinet Dros Ddiwylliant a Hamdden  
Cabinet Member for Culture & Leisure**

**ATEBWCH I / PLEASE REPLY TO :**

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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**

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.

Tudalen 7



Mae'r dudalen hon yn wag yn fwriadol