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## SUPPLEMENTARY PAPERS

Committee	COVID-19 SCRUTINY PANEL
Date and Time of Meeting	TUESDAY, 14 JULY 2020, 2.00 PM
Venue	REMOTE MEETING
Membership	Councillor Walker (Chairperson) Councillors Bridgeman, Howells, Jenkins and Patel

The following papers were marked 'to follow' on the agenda circulated previously

**Black Lives Matter Task force - 2.00pm (Pages 3 - 14)**

**Homelessness - The Response to the COVID19 Crisis and Delivering the Future Service Model - 2.45pm (Pages 15 - 80)**

*Appendices 1, 2 and 4 of Appendix A are not for publication as they contain exempt information of the description contained in paragraphs 14 and 21 (Appendix 1&4) and paragraph 16 (Appendix 2) of Schedule 12A of the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

**Outturn 2019/2020 - 3.30pm (Pages 81 - 158)**

**Re-Procurement of existing Collaborative Construction and Civils Consultancy Frameworks - 3.50pm (Pages 159 - 172)**

**Davina Fiore**  
**Director Governance & Legal Services**  
Date: 10 July 2020  
Contact: Andrea Redmond [A.Redmond@cardiff.gov.uk](mailto:A.Redmond@cardiff.gov.uk)

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**CYNGOR CAERDYDD  
CARDIFF COUNCIL**

**COVID-19 SCRUTINY PANEL**

**14 July 2020**

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**Establishment of a Racial Equality Taskforce**

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**Purpose of the Report**

1. To inform the Panel of the Cabinet's proposal to establish a Racial Equality Taskforce to address racial inequality and racial injustice in Cardiff.

**Scope of the Scrutiny**

2. The COVID-19 Scrutiny Panel was established by Full Council on 21 May 2020 to provide measured and proportionate scrutiny and to undertake pre-decision scrutiny of report. Cabinet. At its meeting on 16 July 2020, Cabinet will consider a report to establish a Racial Equality Taskforce to address racial inequality and racial injustice in the city.
3. To ensure all previous scrutiny informs the internal challenge, in advance of this meeting all Members of Scrutiny Committees have been consulted, their comments and enquiries collated and passed to Panel members to follow up, in line with the Panel's Terms of Reference.
4. Members will have the opportunity to test the recommendations to Cabinet and explore:
  - The objectives of the taskforce
  - Proposals for membership of the taskforce
  - The evidence that has led to these proposals
  - The governance arrangements proposed
  - Next Steps and Timelines.

## Background

5. Over the summer of 2020 tragic events have brought to the fore the historic and current challenges that Black, Asian and Minority Ethnic (BAME) communities face in achieving racial equality.
6. In support of the Black Lives Matter movement, the Lord Mayor has requested that the Council remove a statue of Sir Thomas Picton from the Marble Hall at City Hall, resulting from growing awareness and understanding of his links with slavery. Full Council will debate this request in July 2020; however, the Leader of the Council has confirmed his personal commitment to establishing a taskforce that can work to advance racial equality in Cardiff.

## Issues identified in the Cabinet Report

7. The Cabinet report, attached at **Appendix A**, summarises the diversity of Cardiff as a city and acknowledges that racial inequality continues to exist in Cardiff and the divergent experiences of different BAME groups. It proposes to work with the BAME communities, public service and third sector partners, employers, trades unions and children and young people to identify and put in place a programme of action that seeks to address racial inequality.
8. Evidence of the need to establish this taskforce has been found in statistics on diversity and inequality in Cardiff within the *Annual Population Survey (March 2020)* the *Pupil Level Annual School Census 2019/20* and the *Welsh Index of Multiple Deprivation*.
9. Additionally the proposal has referenced a number of recent studies, reviews and inquiries that can be accessed from links in the report at **point 15**.
10. The objectives of the taskforce (**point 16**) focus on ensuring the BAME community has a strong link with the Council and its partners and a guiding voice to ensure race equality is factored into all policy and strategy development work.

11. In August 2020 there will be *'a rapid and focused consultation ...to seek BAME residents' views on the priorities for the Taskforce...(to) inform the establishment of work-streams to coordinate strategic evidence, practice and policy reviews and produce recommendations for action'* (**point 18**).

11. Terms of Reference will be developed for the Racial Equality Taskforce, which will meet quarterly and report to Cabinet on its work streams, in addition to delivering an annual report to Full Council.

12. The taskforce will be chaired by Councillor Saeed Ebrahim and have up to 14 members selected following a public appointment process on the basis of experience in a variety of fields (**point 21**). Members will require insight and interest in race, ethnicity and human rights and the ability, experience, opportunity and influence to make changes in their sector, industry and institutions or organisations.

### **Proposed Recommendations to Cabinet**

13. Cabinet is recommend to

- Approve the proposal to establish a new Racial Equality Taskforce with the objectives set out in paragraph 16 of the report.
- Agree the appointment of Cllr Saeed Ebrahim as Chair of the Racial Equality Taskforce.
- Delegate authority to the Head of Performance & Partnerships, in consultation with the Chair of the Race Equality Taskforce and Leader of the Council and with advice from the Director of Governance and Legal Services, to finalise detailed Terms of Reference for the Race Equality Taskforce, to be confirmed at the inaugural meeting of the Task Force.
- Delegate authority to the Head of Performance & Partnerships, in consultation with the Leader of the Council and Chair of the Race Equality Taskforce, to undertake a public appointment process for membership of the Racial Equality Taskforce.
- Delegate authority to the Head of Performance & Partnerships, in consultation with the Leader of the Council and Chair of the Race Equality Taskforce, to commence a public consultation exercise to inform the initial priorities for the Racial Equality Taskforce's work programme.

## **Way Forward**

14. In attendance at the Panel meeting to present this report and answer Scrutiny Chairs' questions will be the Leader of the Council, Councillor Huw Thomas, Chief Executive, Paul Orders, Head of Performance and Partnerships, Gareth Newell, and Operational Manager with responsibility for Cohesion and Community Engagement, Sian Sanders.

## **Legal Implications**

15. 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 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 of 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**

16. 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 modifications. Any report with recommendations for decision that goes to Cabinet/ Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATION**

The Committee is recommended to:

- I. consider the proposal to establish a new Racial Equality Taskforce and arrangements for its membership; and
- II. relay any concerns, observations and recommendations to the Leader prior to this report being considered by Cabinet.

**DAVINA FIORE**

Director, Governance & Legal Services

10 July 2020

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**ESTABLISHMENT OF A RACE EQUALITY TASKFORCE**

**LEADER (COUNCILLOR HUW THOMAS)**

**AGENDA ITEM: 2**

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**Reason for this Report**

1. To obtain Cabinet authority to establish a Race Equality Taskforce, which will enable the production of recommendations for immediate action, alongside longer-term recommendations, to act on race inequality and address racial injustice in Cardiff.

**Background**

2. In Capital Ambition, the Administration make clear their commitment to reducing the large and growing inequalities between communities, to tackling inequality in all its forms and to making sure that all citizens can contribute to, and benefit from, the City's success.
3. Cardiff is proud to be a diverse city, and the Cabinet recognises and celebrates the strength that this diversity has brought and will continue to bring to the City's future. The Cabinet is also clear that race inequality continues to exist in Cardiff. The Cabinet therefore wishes to work with Black, Asian and Minority Ethnic (BAME) communities, public service partners and major employers to identify and put in place a programme of action that seeks to address race inequality.

**Issues:**

Diversity and Inequality in Cardiff

4. Using statistics from the Annual Population Survey, it is estimated that, for the year ending 31 March 2020, 76,400 of Cardiff's residents were from BAME groups: 20.7% of the total population. In comparison, 186,600 individuals are from BAME Groups in Wales as a whole: 6% of the total population.
5. Additionally, using data from the Pupil Level Annual School Census for 2019/20, it is estimated that 13,270 pupils aged 5 or over are from BAME groups: 28% of the total school population, compared with 8% (33,290) for Wales as a whole.

6. The lived experience and chances for BAME people in Cardiff differs significantly and detrimentally from those of White people.
7. The Welsh Index of Multiple Deprivation paints a complex picture for the City. However, in terms of overall deprivation, 34.8% of Cardiff's Black/African/Caribbean/Black British population reside in the 10% most deprived group. This is double the number of Cardiff's White population who reside in the same group, at 17.2%.
8. Cabinet recognises the divergent experiences of different BAME groups and the necessity of a nuanced approach if we are to progress race equality.

#### The Black Lives Matter movement

9. The tragic death of George Floyd in the USA has seen protests taking place across the world, including in Cardiff, as part of the Black Lives Matter movement. This has led to a reflection, both on how the history of Black communities in the UK are treated, and on the ongoing challenges that BAME people continue to face in today's society.
10. A feature of the Black Lives Matter movement is its call to reassess how individuals in British history with involvement in slavery are commemorated.
11. In Cardiff, this has focused on the statue of Sir Thomas Picton in the Marble Hall at Cardiff City Hall, whose military career and death at the Battle of Waterloo drove his original inclusion in the 'Heroes of Wales' collection. However, there is growing awareness and understanding of the brutal nature of his Governorship of Trinidad and his involvement in slavery, prompting many to request that the Council moves this statue to a more appropriate location.
12. A democratic mandate will be sought for the proposed removal of this historic monument through a debate and decision by Full Council. This will also enable the Council to consider the practicalities of safely removing the statue and managing any associated implications to the listed status of the Marble Hall.
13. Beyond this important debate regarding the Sir Thomas Picton statue, the Leader of the Council has indicated his eagerness to work with Black Communities to better understand their needs and look at what further action the Council can take to make tangible improvements to their lives and outcomes.
14. It is therefore proposed that a new Race Equality Taskforce is established by the Council. This will enable the coordination of meaningful and evidence-led actions and recommendations to address racial discrimination and promote race equality in Cardiff.

## Establishing a Race Equality Taskforce for Cardiff

15. The context for the establishment of the Race Equality Taskforce has been well documented in several recent studies, reviews and inquiries, which reveal the extent of racial inequality in the UK, including:
  - The [Race Disparity Audit](#), published in 2017, showed inequalities between ethnicities in educational attainment, health, employment and within the criminal justice system.
  - The [McGregor-Smith Review of race in the workplace](#), published in 2017, found people from Black and Minority Ethnic backgrounds were still disadvantaged at work and faced lower employment rates than their White counterparts.
  - The [Lammy Review](#), also published in 2017, found evidence of bias and discrimination against people from Ethnic Minority backgrounds in the justice system in England and Wales.
  - The [Windrush Lessons Learned Review](#), published in March 2020, found the Home Office showed, “institutional ignorance and thoughtlessness towards the issue of race.”
16. It is proposed that the Race Equality Taskforce for Cardiff will work to the following objectives:
  - Work with Cardiff's communities and organisations to improve and prioritise race equality to achieve an inclusive, cohesive, thriving and representative city;
  - Guide Cardiff's policy and strategy developers to make sure race equality is included in all of their work;
  - Use the Council's convening power to advance race equality in the public, private and voluntary sector, working closely, where required, with the Cardiff Public Services Board;
  - Coordinate actions and recommendations to advance race equality, focusing on priority work-streams, identified in consultation with the City's BAME residents;
  - Report on progress on race equality and the general impact of inequality and discrimination on the BAME communities of Cardiff.
17. The Council proposes the following initial areas of focus for the Taskforce's consideration:
  - What more can be done to ensure that the Council's membership and workforce represents the full diversity of the City it serves;

- The experiences of BAME children and young people in education, in alignment with the Welsh Government's recently announced working group focusing on this area;
- Supporting BAME communities to access employment opportunities;
- Diversity in the public realm, working closely with the Taskforce recently established by the Welsh Government to audit statues, street and building names to address Wales' connections with the slave trade;
- Supporting the civic and democratic involvement of BAME communities through voter registration and participation in the Census 2021.

18. It is proposed that a rapid and focused consultation will be undertaken in August 2020 to seek BAME residents' views on the priorities for the Taskforce. This work will inform the establishment of work-streams to coordinate strategic evidence, practice and policy reviews and produce recommendations for action.

#### Appointment of Chair

19. The Leader of the Council has invited the Ward Councillor for Butetown, Cllr Saeed Ebrahim, to Chair the Race Equality Taskforce. The Chair will oversee the activities of the work-streams and strategic activities associated with tackling discrimination and disadvantage faced by BAME people in Cardiff, along with chairing Taskforce meetings, and promoting the work of the Taskforce.

#### Membership

20. It is proposed that the Taskforce be comprised of the Chair and up to 14 members. The membership will be made up of individuals with insight and interest in race, ethnicity and human rights and who have the ability, experience, opportunity and influence to make changes in their sector, industry and institutions or organisations.

21. Membership of the Taskforce will be selected following a public appointment process that will be openly advertised by the Council. It is expected that individuals will have experience in one or more of the following fields:

Voluntary Sector and Community Organisations	Public Services
Major Employers and Small-to-Medium Sized Enterprises (SMEs)	Culture and the Arts
Education, including Further and Higher Education	Sport
Trade Unions	Children and Young People

22. A comprehensive Terms of Reference will be developed to support the Taskforce membership.

23. Meetings of the Taskforce will take place once a quarter until the end of the current administration. Members are expected to make every effort to attend all meetings. Attendance will be recorded formally through the minutes.

### **Governance**

24. The Taskforce will report to Cabinet. The Taskforce will provide reports on each work-stream to Cabinet, complete with recommendations for action to be considered. The Taskforce will also provide an annual report to Full Council, in line with the reporting schedule for the Council's statutory Equalities Annual Report.

### **Reason for Recommendations**

25. To obtain Cabinet authority to establish a Race Equality Taskforce.

### **Financial Implications**

26. There are no direct financial implications arising from this report but consideration should be given as part of any future Council budget setting as to whether any budget allocation is required once the Taskforce is set up.

### **Legal Implications**

27. The public sector equality duties under the Equality Act 2010 require the Council to give due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.
28. The recommendation of this report to establish a Race Equality Taskforce ('the Taskforce') should serve to assist the Council to discharge its equalities duties in respect of race and ethnic or national origin.
29. The Taskforce will require Terms of Reference, incorporating detailed provisions with regard to its remit, membership (including co-optees) and reporting responsibilities, as outlined in the body of the report; and other matters such as terms of office, decision making and voting rights, and rules regarding conduct and personal interests. For the avoidance of doubt, it should be noted that the Taskforce will have no separate legal status or formal decision making powers. Legal Services will advise further on the draft Terms of Reference.
30. The Wellbeing of Future Generations (Wales) Act 2015 requires the Council to consider how its proposed decisions will contribute towards meeting the Well Being objectives set out in the Corporate Plan.

31. Members must also be satisfied that proposed decisions comply with the sustainable development principle, which requires that the needs of the present are met without compromising the ability of future generations to meet their own needs.

**HR Implications**

32. There are no direct financial implications arising from this report but consideration should be given as part of any future Council budget setting as to whether any budget allocation is required once taskforce is set up.

**RECOMMENDATIONS**

Cabinet is recommended to:

1. Approve the proposal to establish a new Race Equality Taskforce with the objectives set out in paragraph 16 of the report.
2. Agree the appointment of Cllr Saeed Ebrahim as Chair of the Race Equality Taskforce.
3. Delegate authority to the Head of Performance & Partnerships, in consultation with the Chair of the Race Equality Taskforce and Leader of the Council and with advice from the Director of Governance and Legal Services, to finalise detailed Terms of Reference for the Race Equality Taskforce, to be confirmed at the inaugural meeting of the Taskforce.
4. Delegate authority to the Head of Performance & Partnerships, in consultation with the Leader of the Council and Chair of the Race Equality Task Force, to undertake a public appointment process for membership of the Race Equality Taskforce.
5. Delegate authority to the Head of Performance & Partnerships, in consultation with the Leader of the Council and Chair of the Race Equality Taskforce to commence a public consultation exercise to inform the initial priorities for the Race Equality Taskforce’s work programme.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>SARAH MCGILL</b> <b>Corporate Director People &amp; Communities</b>
	10 July 2020

CYNGOR CAERDYDD  
CARDIFF COUNCIL

COVID-19 SCRUTINY PANEL

14 July 2020

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**Pre-Decision Scrutiny: Homelessness – The response to the Covid-19 crisis and delivering the future service model**

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*Appendices 1, 2 and 4 of Appendix A are not for publication as they contain exempt information of the description contained in paragraphs 14 and 21 (Appendix 1 and 4) and paragraph 16 (Appendix 2) of Schedule 12A of the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

**Purpose of the Report**

1. To assist Members in their pre-decision scrutiny of the report to Cabinet on homelessness, prior to its consideration by Cabinet at their meeting on 16 July 2020.
2. Members should note that **Appendices 1, 2 and 4 of Appendix A** are exempt from publication. Members are requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

**Structure of the meeting**

3. The Chair will move that this item be considered in two parts: an open session, where Members will be able to ask questions on the issues and papers that are in the public domain; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to **Confidential Appendices 1, 2 and 4 of Appendix A**.
4. Councillor Lynda Thorne (Cabinet Member – Housing and Communities), Sarah McGill (Corporate Director – People and Communities), Jane Thomas (Assistant

Director – Housing and Communities) and Dave Jaques (Operational Manager – Development and Regeneration) will be available to answer Members questions. Members will then be able to decide what comments, observations or recommendations they wish to pass on for consideration.

### **Structure of the Papers**

5. To facilitate the scrutiny the following appendices are attached to this report:

#### **Appendix A – Report to Cabinet**

*Homelessness – The Response to the Covid-19 crisis and delivering the future service model*

The following **confidential appendices** are attached to Appendix A:

**Confidential Appendix 1** – costs associated to Gasworks & Hayes Place

**Confidential Appendix 2** – exempt legal implications

**Appendix 3** – Revenue Costs

**Appendix 4** – Capital Costs

**Appendix 5** - Equalities Impact Assessment

### **Scope of the Scrutiny**

6. Full Council established the COVID-19 Scrutiny Panel on 21 May 2020 to provide measured and proportionate scrutiny in the current emergency and to undertake pre-decision scrutiny of reports to Cabinet. At its meeting on 16 July 2020, Cabinet will consider a report on the impact of Covid-19 on homelessness in Cardiff and the proposed future model for homelessness services.
7. To ensure all previous scrutiny informs the internal challenge, in advance of this meeting all Members of the Community and Adult Services Scrutiny Committee have been consulted, their comments and enquiries collated and passed to Panel members to follow up, in line with the Panel's Terms of Reference.
8. During this scrutiny, Members have the opportunity to test the recommendations to Cabinet and explore:
  - a. Proposals for future services for homeless people
  - b. Key factors shaping these proposals
  - c. Impact of proposals

- d. Financial Implications
- e. Risks to the Council
- f. Next Steps and Timelines.

## **Background**

9. There are a number of services available for single homeless people and for homeless families, including hostels, day centres, temporary accommodation, supported accommodation and permanent accommodation, as well as support services. Cardiff Council and partners identified that services to single homeless people required remodelling, resulting in a report to Cabinet in December 2019.
10. In common with other major UK cities, Cardiff has experienced an increase in homelessness over recent years. Cardiff Council has set up a multi-agency steering group to work together to tackle homelessness. At the beginning of March 2020, there were 30 known rough sleepers in Cardiff, down from 84 the previous year. The key presenting need for these rough sleepers was substance misuse along with other challenging health needs. In addition to rough sleepers, there were 140 individuals in emergency accommodation and more than 600 individuals in hostels and supported accommodation.
11. The report sets out that Cardiff has 555 units of family temporary accommodation, 161 of which are hostel and supported accommodation and 394 of which are leased properties.

## **Impact of Covid-19**

12. The Covid-19 crisis highlighted the need to ensure single homeless people were able to socially distance, self-isolate and/ or shield, as required by government i.e. that they had self-contained accommodation as opposed to rough sleeping or shared sleeping spaces. Additional funding was made available by Government to meet the costs of this. The report to Cabinet states, at **point 12**, that 182 units of self-contained accommodation were established during the crisis and 71 individuals were referred for substance misuse services (**point 16**).

13. The report to Cabinet also details the impact of Covid-19 on homeless families, at **point 51**. This states that, with the temporary ban on evictions and mortgage holidays, there have been fewer families presenting as homeless. The Council and most Housing Associations in Cardiff have worked on vacant properties during the Covid-19 crisis, meaning properties have been available for families to move into out of temporary accommodation. However, **point 63** stresses that family homelessness is likely to increase when lockdown measures are over and evictions recommence.

### **Issues identified in the Cabinet Report**

14. The report to Cabinet sets out a number of proposals, as follows:

- a. **Points 20 – 49** set out a new vision for homeless services for single people in Cardiff and how this vision will be implemented.
- b. **Points 50 – 63** detail a new vision for homeless services for families in Cardiff and how this will be implemented
- c. **Points 64 – 78** detail provision for temporary accommodation.

15. In terms of **single homeless people**, the report states:

- a. There has been a significant increase in presentations, with an average of 45 new cases a week, compared to 25 a week prior to the pandemic.
- b. The OYO hotel has been commissioned until September 2020.
- c. The YHA hotel has been commissioned until December 2020.
- d. The Council has entered into a partnership with POBL housing association to use a 42-unit student housing block on Newport Road and 16 units in Countisbury House, Llanrumney to provide shorter term accommodation.
- e. The Council will lease Hayes Place, Riverside for 10 years, from Taff Housing Association to provide a multi-disciplinary assessment and triage centre.
- f. Emergency accommodation will be provided to the rear of Hayes Place, via a Direct Award contract for Beattie Passive 'Haus4studio pods' modular housing units.

- g. Substance Misuse harm reduction services and welfare advocacy services delivered by the Huggard will be delivered on a mobile basis in hotels and hostels rather than at a drop-in day centre.
- h. Provision will move away from shared community housing with limited support towards a rapid rehousing approach with appropriate support based on individual need. There are circa 220 units of accommodation that will be phased out over three years, from April 2021 – March 2024.

16. With regard to **specialist accommodation**, the report to Cabinet states that there is estimated to be a need for 200 units of self-contained accommodation. The report proposes to refocus provision at a facility in Adamsdown to provide circa 152 units of high quality specialist accommodation. Discussions have taken place with United Welsh Housing Association (UWHA), which owns the building, police, health and other partners. It has been agreed that a stronger, more formal arrangement will be put in place between the Council and UWHA.

17. The report states that, in conjunction with Health, there will be a review over the coming year of the abstinence/ substance misuse pathway projects. This will include reviewing the specific needs of women (**point 44**).

18. In terms of **family homelessness**, the report states that:

- a. Three new centres for family homelessness will be established
  - Briardean, North Road – 39 units by end of this financial year
  - Harrison Avenue, St Mellons – UWHA building – 19 units
  - The Gasworks, Grangetown – 50 new build units
- b. These three sites will have staff on site during the day and other services, such as Flying Start and health services, will be provided on site.
- c. The aim is to move families quickly from this accommodation directly into a settled home, including in the private rented sector in both Cardiff and the surrounding area.
- d. The Council is piloting a new Welsh Government scheme to lease 66 properties directly from the private rented sector, with 5-year leases.

- e. There are ongoing discussions with a Housing Association regarding their existing lease scheme and these properties may transfer into the Council.
- f. It is proposed to Directly Award the contract for the new build units at The Gasworks, Grangetown to Beattie Passive.

19. The report to Cabinet highlights the interconnectedness of the above proposals and the need to move quickly, in order to ensure alternative accommodation is available to prevent a return to rough sleeping. This is particularly urgent as the arrangements with the OYO and YHA hotels will cease in September and December 2020.

20. At **point 63**, the report to Cabinet states that *'it is proposed that social housing lets continue to focus on homeless cases and emergency moves to create the capacity needed to facilitate this change.'*

### **Financial Implications**

21. The report to Cabinet states that the above work is predicated on successful allocation of additional Welsh Government funding, from the Covid-19 response fund, a new 'No Going Back' homelessness fund, and repurposed Innovative Housing Fund Year 4.

22. The report to Cabinet states the following in relation to specific proposals:

- a. Hayes Place – Welsh Government grant funding sought to fund minor building adaptations. A bid will be made to build membership of the triage team. Innovative Housing Funding sought for emergency accommodation.
- b. Newport Road – Welsh Government funding sought to fund some changes to the building, whilst revenue costs will be met through Housing Benefit and existing grant funding.
- c. Countisbury House – cost currently being made by a combination of Housing Benefit and Welsh Government Covid-19 grant.

- d. Adamsdown Facility – Welsh Government funding sought for building changes. Revenue costs for this scheme are significant and are set out in **Confidential Appendix 2**.
- e. Second Stage temporary accommodation – phasing out this accommodation will release significant level of resource to fund the new model of service; however, this will not be immediately available and discussion is ongoing with Welsh Government on longer term transitional funding.
- f. Family homelessness – funding to support the transition to the new model is being sought from Welsh Government
- g. The Gasworks – Innovative Housing Funding sought for Beattie Passive housing as well as Welsh Government Capital Grant covering Covid-19 related homelessness recovery plans.

23. Members' attention is drawn to the Financial Implications at **Points 86-97**, as well as **Confidential Appendix 1, Confidential Appendix 2, Appendix 3** and **Confidential Appendix 4**, which set out further details of the financial and legal implications of proposals.

### **Proposed Recommendations to Cabinet**

24. The report recommends that Cabinet:

- note the steps already taken to secure additional permanent homeless accommodation to replace temporary provision and ensure that no service user will experience a reduction in service availability as lockdown measures are relaxed.
- agree the way forward for homeless services as set out in the report including the need to make representations to Welsh Government for ongoing funding to ensure the “No Going Back” strategy for single homeless people is sustainable.
- note that in the event grant funding is not at the levels assumed within the report, options for schemes will need to be reviewed and revised to achieve lower operational costs and within available budgets, this will impact significantly on the overall effectiveness of the approach.
- approve a direct award contract to Beattie Passive to deliver 50 temporary accommodation units at the Gasworks site for the reasons outlined in this report.
- delegate responsibility for the leasing of private domestic properties under the Welsh Government Leasing Scheme to the Assistant Director for Housing and Communities following appropriate advice from Strategic Estates.

## Previous Scrutiny

25. In December 2018, the Community & Adult Services Scrutiny Committee considered the proposed Homelessness Strategy 2018-2022. Following the meeting, the then Chair, Councillor Mary McGarry, wrote to Councillor Thorne<sup>1</sup>, Cabinet Member – Housing & Communities, making the following points:

- a. Members noted the planned review of rough sleepers services
- b. Members main concern was the supply of suitable accommodation, in terms of:
  - the stability of the private rented sector
  - access to private rented sector properties proving problematic in terms of persuading landlords to let properties to those on Housing Benefit or Universal Credit
  - The need to communicate that the Huggard Centre and other hostels in Cardiff are safe and secure
- c. Members decided to hold an additional meeting dedicated to homelessness, focusing on: the single person's gateway, winter provision, how hostels work together, supported accommodation and overall support services.

26. During 2019, the Community & Adult Services Scrutiny Committee held meetings dedicated to homelessness, hearing from frontline providers and partners. In September 2019, a Committee report on temporary and supported accommodation and the Single Person Gateway was presented to Cabinet. This report recommended changes in approach and operation to assist effective transitioning through the housing system to reduce unsuccessful moves.

27. Cabinet agreed a response to this report at their meeting in December 2019. Out of nine recommendations, Cabinet agreed seven in full and agreed two in principle. Following the meeting, Cllr Jenkins, Chair Community & Adult Services Scrutiny Committee, wrote to Cllr Thorne, Cabinet Member – Housing and

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<sup>1</sup> Letter from Cllr McGarry, Chair of CASSC, to Cllr Thorne, Cabinet Member, dated 6 December 2019

and Communities; the letter thanked Cllr Thorne and officers for their positive response to the Committee's work, commended and encouraged further positive work in supporting individuals sleeping rough. Members requested a progress report on the agreed recommendations in September 2020.

## **Way Forward**

28. Councillor Lynda Thorne (Cabinet Member – Housing and Communities), Sarah McGill (Corporate Director – People and Communities), Jane Thomas (Assistant Director – Housing and Communities) and Dave Jaques (Operational Manager – Development and Regeneration), will attend to take questions from Members of the COVID- 19 Scrutiny Panel, representing the Members of all five Cardiff Council Scrutiny Committees.

29. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 1, 2 and 4 of Appendix A**. Members will be invited to agree the meeting go into closed session to enable discussion of this information.

## **Legal Implications**

30. 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**

31. 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**

The Panel is recommended to:

- i) Consider the information in this report, its appendices and the information provided during the meeting; and
- ii) Determine whether they would like to make any comments, observations or recommendations for consideration.

### **DAVINA FIORE**

Director, Governance & Legal Services  
10 July 2020

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**HOMELESSNESS – THE RESPONSE TO THE COVID 19 CRISIS  
AND DELIVERING THE FUTURE SERVICE MODEL**

**HOUSING AND COMMUNITIES – CLLR LYNDA THORNE  
AGENDA ITEM: 6**

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*Appendices 1, 2 and 4 are not for publication as they contain exempt information of the description contained in paragraphs 14 and 21 (Appendix 1 and 4) and paragraph 16 (Appendix 2) of Schedule 12A of the Local Government Act 1972*

**Reason for this Report**

1. To note the impact of Covid 19 on the delivery of services for single homeless people in Cardiff.
2. To note the steps already taken to secure additional permanent homeless accommodation to replace temporary provision and ensure that no service user will experience a reduction in service availability as lockdown measures are relaxed.
3. To approve the provision of further accommodation and support for single homeless people and families.
4. To approve the Direct Award of a contract to deliver temporary accommodation units at the Gasworks site, Grangetown for families.
5. To approve the additional measures outlined in this report that will deliver the new model of homeless provision in Cardiff.

**Background**

6. In recent years, like all major British cities, Cardiff has experienced a dramatic rise in the number of people homeless or rough sleeping, working with our partners it has been possible to make very significant progress in reducing the number of individuals sleeping rough and in March 2020 Cardiff had achieved the lowest level for six years.
7. Following extensive research into good practice across the world, proposals were developed to improve the services in Cardiff, to maximise prevention, ensure effective assessment of need and deliver the right accommodation pathways to meet the wide range of issues presented by our single homeless clients. This approach was endorsed in our

Corporate Plan 2020/23. A multi-agency steering group was established to deliver this new vision chaired by the Cabinet Member for Housing and Communities.

8. At the beginning of March 2020 there were 30 rough sleepers in Cardiff, down from 84 rough sleepers the previous year. The key presenting need for those rough sleeping was substance misuse although the complex nature of the issues faced by these individuals meant that most also had other challenging health needs.
9. In addition, there were 140 individuals in emergency accommodation, 98 of whom were sharing sleeping spaces and were required to leave the accommodation during the day. In addition to the emergency accommodation, more than 600 individuals were living in hostel and other supported accommodation. A report on the challenges faced by the existing services in place to meet the needs of single homeless people and the steps being taken to address these was considered by Cabinet in December 2019.

## **Issues**

### **Impact of the Covid 19 Pandemic**

10. On 20 March 2020 the Welsh Government announced that an additional £10 million had been made available to Local Authorities to assist in the response to the Covid 19 pandemic and mitigate the impact on homeless individuals.
11. It was crucial that significant levels of additional self-contained accommodation was sourced quickly in order to ensure that no-one remained on the street and specifically that individuals could self-isolate should they be symptomatic of the virus. The numbers residing in existing emergency accommodation had to be very significantly reduced to ensure that the virus did not spread within this vulnerable group.
12. In the first 3 weeks of the crisis 140 clients were rehoused into accommodation where they could shield / self-isolate. In total 182 units of supported accommodation have been established during the crisis made up of:
  - 20 Isolation units (Shipping container developments in Ely and Butetown – recently completed and intended for family temporary accommodation, repurposed to meet this need.)
  - 2 Hotels (130 units at the OYO in Riverside and the Youth Hostel Hotel in Splott)
  - Move on accommodation (16 units in Countisbury House, Llanrumney)
  - Re-purposed building (16 units at the Parade in Plasnewydd)
13. 24 hour support and security staff were allocated to all sites and 3 meals a day and snacks have been provided to ensure that clients can remain at the property at all times.

14. The detail of the homelessness arrangements put in place to meet the Covid 19 crisis, as set out above, were considered by Cabinet in June 2020.
15. As clients remained in the accommodation it quickly became clear that there was an unprecedented opportunity for services to work with those who wanted to take a step away from substance misuse. Health and third sector colleagues have been providing services directly into the hotels, hostels and supported housing aimed at harm reduction and rapid prescribing. Therapeutic and counselling services have also continued throughout the crisis to ensure that clients underlying needs are identified and met.
16. A new long lasting drug substitute was made available with the support of Welsh Government and the results have been exceptionally positive with 71 clients now referred for services.
17. From the start of the crisis the numbers of presentations from single homeless people increased significantly with an average of 45 new presentations a week (as compared to 25 a week before the pandemic) increasing the already significant pressures on services and resulting in the continued use of some shared sleeping spaces.

### **A New Vision for Homelessness**

18. The experience of the response to the pandemic so far, combined with the work previously undertaken to review Cardiff's current service model has made clear the pressing requirement to continue to provide additional accommodation with multi agency support into the long term, to meet the needs of single homeless people in Cardiff.
19. Prior to the pandemic a strategic review of services was carried out led by Councillor Lynda Thorne, Cabinet Member for Housing and Communities. This review set out a new pathway for accommodation and support services for single homeless people. A range of partner representatives were involved in the development of this new pathway and this had been well received in consultation sessions. The findings from this strategic review has been combined with the learning from the pandemic to develop a new vision for homeless services for single people in Cardiff.
20. The vision for the future has 4 key components:
  - To prevent homelessness wherever possible – and where it is not possible for the experience of homelessness to be rare, brief and not repeated.
  - To deliver an assessment/ triage approach to all those presenting as homeless. A service that will properly and comprehensively identify the needs of the person, where necessary on a multi-agency basis, to fully understand all the issues and consequently

ensure that the accommodation and support solution provided is appropriate to the individual.

- To move away from a “staircase” approach to rehousing where clients move from supported accommodation to independence in stages. The new model will have separate pathways for clients who are able to move rapidly into independent housing via housing first or community housing with intensive support as appropriate. The model will also have a separate pathway for those with lower need with support to move on quickly into the private rented sector together.
  - For those with the most complex needs the model recognises that longer term specialist accommodation will be required but that this will be good quality, self-contained accommodation that can provide a home environment in a supported setting.
21. The vision for Cardiff is very much in line with Welsh Government’s new guidance. In May 2020 a further allocation of £20 million was announced for 2020/21 to assist in funding solutions to homelessness in the longer term – described as a “No Going Back” approach. All Council’s in Wales have been asked to put forward a phase 2 homelessness plan to set out how this will be achieved in their local authority area and to make a funding bid to support this. The Welsh Government has been clear that they do not wish to see a cliff edge but want a continuation of current arrangements while the move to longer-term solutions is achieved.
22. To ensure that accommodation remains available for single homeless people in the short term, immediate action has been taken to extend the arrangements with the 2 hotels: until September in the case of the OYO and December in the case of the YHA. In addition, to allow for the immediate need to meet the increased demand from single homeless people, a decision has been made to enter into a partnership arrangement with POBL to use a 42 unit student housing block on Newport Road, further information on this scheme is provided below.

### **Next Steps - Delivering the Vision**

#### **Assessment Centre / Triage**

23. Considering the experience of other UK and European cities the need for an appropriate assessment and triage centre for single homeless individuals is essential. The centre would be available for 24-hour access for referrals by trusted partners and would be a fully multi-disciplinary provision. The centre would provide good quality emergency accommodation for short term use and which will also allow clients to stay longer if needed for them to stabilise and for their needs to be fully assessed.
24. The centre would become a co-ordination point for our multi-disciplinary complex needs services including street and hostel outreach. The

success of our multi-disciplinary approach has been considerable. This grant funded team already includes the following members:

- Social workers
- Mental health workers & mental health social worker
- Housing support workers ( SAIL)
- Advocate
- Primary care nurse
- Substance misuse workers
- Probation Officers
- Rapid prescribing service
- Therapeutic outreach workers & psychological services
- Counsellors
- Peer mentor co-ordinator
- Police Street Safe Officer

25. Some funding already exists to increase the resources on the team, particularly the counselling and therapeutic services which have been in high demand during the crisis. A bid will be made to build on the membership of the team to include some time from the following:

- Occupational Therapist
- Psychiatrist
- Psychologist
- Key support workers

26. Following the assessment process, the team would allocate individuals to the most appropriate accommodation solution, from immediate rehousing to complex needs supported accommodation, with the appropriate level of on-going support in place.

27. Agreement has been reached with Taff Housing Association for a further lease of Hayes Place in Riverside for up to 10 years, to provide the assessment and triage centre. This building which has been leased by the Council for some time was most recently used as the one stop shop for domestic abuse and violence against women services. The building is suitable for the multi-disciplinary triage service with some minor building adaptations necessary. Grant funding will be sought from the Welsh Government to make these changes.

28. The emergency accommodation will be provided to the rear of the building. A modular solution to the provision of on-site accommodation units has been procured. An Officer Decision has been made to direct award the contract for these modular units, due to the pressing need to ensure that this provision is in place urgently. It is estimated that the service will be operational by January 2021.

## **Good Quality Supported Accommodation**

### **Shorter Term Accommodation**

29. As mentioned above, to ensure the immediate need for additional supported housing is met, a decision has been made to enter into a partnership agreement with Pobl group to secure a 42 unit block of flats on Newport Road. The units were previously used as student accommodation. This scheme will meet the pressing need for additional self-contained accommodation. The site is available for the longer term and once the immediate needs of the crisis have been met will provide supported accommodation for those with medium support needs. Funding for some changes to the building will be sought from the Welsh Government, while revenue costs for the operation of the building can be met through Housing Benefit and existing grant funding.
30. The 16 self-contained units in Countisbury house in Llanrumney have been secured for a 12-month period initially, also from Pobl Group. Should the scheme prove successful the intention will be to secure the facility for the longer term for continued use as a move-on / halfway house provision for those with medium to low level support needs. Funding for this scheme is currently being met by a combination of Housing Benefit and Welsh Government Covid 19 grant

### **Specialist Supported Accommodation**

31. Following the research and site visits undertaken prior to the pandemic it has been possible to identify the key features of good quality specialist supported accommodation. The main factors are that the units must be self-contained, that there is support on site 24/7, that health and other essential services are available to the clients in the facility rather than relying on individuals attending for outpatient appointments elsewhere. Counselling and therapeutic services are available in the facility along with education and work experience opportunities.
32. The current level of need for this type of specialist accommodation in Cardiff is estimated to be 200 units.
33. Following consideration of options and taking advice from a wide range of partners, including Health services and the Police the preferred solution to deliver this high quality facility is to refocus and existing facility in Adamsdown.
34. This facility is owned by United Welsh Housing Association and it currently provides temporary accommodation for a mix of 74 families and individuals. There is also an opportunity to repurpose neighbouring flats for more settled long-term accommodation. The integrated facility would comprise approximately 103 self-contained units with intensive support on site 24/7 on the main site and an additional 49 flats for longer term more settled accommodation. There would be space for health and therapeutic services. Into-work, educational and diversionary activity could also be

provided on site and the building would have 24-hour security, support staff and CCTV.

35. The core services on site will be delivered directly by the Council with significant input from health and other partners. It has been agreed that the arrangement currently in place between United Welsh Housing Association and the Council will be strengthened into a more formal arrangement, to reflect the longer-term nature of this project. Considerable capital investment will be needed for this scheme, including the provision of health suites and significant communal spaces. Funding is being sought from the Welsh Government for these building changes, from the £20 million being made available to address the Covid 19 recovery. This work will be carried out on a phased basis with some occupation of the building possible by the autumn.
36. The revenue costs of the scheme are significant and are set out in Appendix 2. Funding for this will be sought from the Welsh Government.

### **Existing Accommodation**

37. The experience of the pandemic has shown that with lower numbers of clients in existing hostels considerable improvement to outcomes for individuals can be achieved. Our partners have delivered outstanding work during the crisis as they have adapted their provision to meet the new challenges. This has included a move towards increased provision of services for residents in the hotels and hostels, rather than drawing clients into other facilities where the congregation of a large number of clients can lead to antisocial behaviour.
38. The intention is to build on this success by making a permanent change to the delivery of services. This will impact particularly on the operation of the services at Huggard Buildings on Dumballs Road. Currently there are two hostels on this site and a day centre. One of the hostels is operated by the Council and one by the Huggard, a third sector organisation. The Huggard also runs the day centre.
39. During the crisis, the day centre service has been changed to focus only on identified clients and has moved away from a drop in approach. This has reduced the number of individuals that are drawn into the area.
40. The important services delivered by the Huggard such as the substance misuse harm reduction services and the welfare advocacy service have been delivered on a mobile basis in the hotels and hostels. It is proposed to continue and build on this success going forward. The management of the whole site will be reviewed to ensure that services can operate in an effective and controlled way.
41. The services will focus on clients that have been identified through the Assessment process as in need of intervention. Wherever possible services will be provided directly into projects where the clients are living, rather than in the Huggard buildings. Work is ongoing with the Huggard and with Health colleagues to fully design this new model of service.

42. It was noted in a previous cabinet report that some existing second stage projects which offer accommodation in shared community housing without full time support on site have proved less successful in meeting the increasingly high level of client needs. This results in high rates of eviction and abandonment. Move on from these projects is also very slow, even where intended for lower needs clients. Research from across Europe and the USA has shown that different levels of supported accommodation prove less successful than a rapid rehousing approach with intensive support. It is intended therefore to move away from the staircase model whereby service users move through several projects in their journey towards independence, towards a rapid rehousing approach with appropriate support based on individual need. This support will be more flexible than the current accommodation based support, allowing it to be tailored to individual needs.
43. Cardiff has a considerable amount of this second stage provision with 220 units of accommodation. It is proposed to phase this provision out over a 3 year period commencing in April 2021. This will release a significant level of resource that can be used to fund the new model of service, however this will not be immediately available and discussion with the Welsh Government on longer term transitional funding is ongoing.
44. There is also a need to review the abstinence /substance misuse pathway projects in conjunction with partners in Health. This review will be undertaken over the coming year. Again where possible the model will be to move away from long periods in supported housing. The specific needs of women will also be reviewed, all new projects will where appropriate offer separate accommodation for women and the requirement for specialist services for women with support needs will be considered as part of the review.

### **Funding Arrangements**

45. As stated above the revenue cost of providing services to the complex needs client group is very high and while some existing schemes can be phased out this will take 3 years to achieve.
46. Appendix 3 sets out the estimated costs of the schemes and the funding that can eventually be released. The Welsh Government has made available funding for this year and an application has been submitted to cover these costs. While there is no commitment to make further transition funding available in future years it is anticipated that this will be the case.
47. Failure to take immediate action would mean that there would be no alternative accommodation to replace the hotels when they close. It is therefore necessary to commit to the development of the schemes set out above before confirmation of future years funding.
48. The majority of the costs of the schemes relate to the additional staffing and security required to provide services to this client group. Should

additional funding not be forthcoming the schemes could be used to house lower needs clients at considerably reduced cost. These lower costs are also set out in appendix 3 and represent the actual level of contractual commitment that is being entered into at this stage.

49. Representations will be made to the Welsh Government to make clear that continued funding will be required if services are to remain in place for the clients with highest needs and if the progress made to date in addressing homelessness is to be maintained.

### **Impact of Covid 19- Temporary Accommodation for Families**

50. The impact of the Covid 19 pandemic on family homelessness has been different to that experienced in relation to single individuals.
51. The temporary ban on evictions in both the public and private rented sector, along with mortgage holidays for owner occupiers in difficulties has seen fewer families presenting as homeless. The Council and most Housing Associations continued work on vacant properties during the crisis and as a result move on from temporary accommodation for homeless families has remained effective. This was particularly important as 20 family units of temporary accommodation in shipping container units located in Ely and Butetown were repurposed for self-isolation and access to them has proved essential during the crisis.
52. Currently Cardiff has 555 units of family temporary accommodation. These are made up as follows:
  - 161 hostel and supported accommodation
  - 394 Leased accommodation
53. 72 of the supported housing units are in the facility in Adamsdown mentioned above, the location in the city centre is not ideal for family homelessness and it is proposed that this building is used for single person accommodation in future. Other hostel accommodation while providing the opportunity to deliver intensive support for families, offers smaller accommodation units, which are not ideal for long stays or for larger families.
54. While the leasing schemes have proved very successful in the past in preventing the use of bed and breakfast for homeless people, they do lead to long stays in temporary accommodation, which can be disruptive to family life and the education of children.
55. The council will adopt the Welsh Governments leasing scheme which has set out terms and provisions for Local authorities to follow adopting model lease documents issued by Welsh Government.
56. There are two temporary accommodation leasing schemes in Cardiff, operated by a Housing Association and Temp To Perm. The Housing Association has recently approached the Council to advise that their scheme, the larger of the two, is no longer financially viable without

additional input from the Council. The financial contribution made by the Council to this scheme is already considerable.

57. Due to the above pressures a review of family homeless accommodation has also been carried out. The future vision for family homeless is similar to that for single person homelessness:

- **Prevent homelessness** – homes are rescued if possible, if not as many families as possible are rehoused at this stage. Where prevention is not possible to ensure that ***homelessness is rare, brief and not repeated.***
- **Assessment / Triage Approach** - Properly identify need, taking a multi-agency approach where necessary, and provide appropriate tailored solutions for each individual family.
- **Good Quality Emergency / Supported Accommodation** - short stay for most, some families will stay longer while they receive more support.
- **Focused support to achieve successful move on** - Move away from the staircase approach

58. As stated above a number of the hostel units are located at the Adamsdown facility and the move to use this to provide longer term supported accommodation for single people will mean that alternative family accommodation is needed. It is proposed to both facilitate this change and achieve the more appropriate alternative model of delivery for families by creating 3 centres for family homelessness. The locations for these centres will be:

- Briardene on North Road, a Cardiff Living Scheme due to deliver by the end of this financial year (39 units)
- Harrison Avenue in St Mellons (a United Welsh building) (19 units)
- The Gasworks – a new build site at the former gasworks site in Grangetown (50 units)

59. These centres will offer good quality family accommodation with staff on site during the day. The staff will promote rapid move on while also addressing any support needs the family may have. Other services will be provided on site including Early Help services such as Flying Start, health visiting and parenting provision. The aim would be to move families quickly from this accommodation directly into a settled home. Once fully operational this model would reduce the need for leased properties. Further work is needed to fully develop this new rapid rehousing model, which will include improved use of the private rented sector in both Cardiff and the surrounding area.

60. The Council has recently agreed to become a pilot for a Welsh Government Scheme to lease directly from the private rented sector. The scheme will provide a 5-year lease giving households more stability over the medium term. Cardiff will be able to take on 66 properties under the

scheme. The terms of the leases have been set and the Welsh Government will meet the costs of the scheme. It is proposed that the decision making processes for entering into leases for domestic properties are streamlined, with delegation being given to the Assistant Director Housing and Communities to enter into such leases following advice from Strategic Estates.

61. Discussions are on-going with the main leased accommodation provider, to identify a way forward for the current scheme. If a solution cannot be found it is proposed that the schemes transfer into the Council and operate alongside the longer term leasing scheme while options for the future of the scheme is considered. This will ensure that it continues to operate effectively while a new model of provision is put in place.
62. Funding to support the transition to the new family homelessness model is being sought from the Welsh Government.
63. The changes set out above offer the opportunity to considerably improve homeless accommodation options for both single people and families. There is a need to move quickly to put in place the changes to the facility in Adamsdown to address the pressing need to find alternative accommodation for those currently living in the hotels. The projects for the replacement of the family accommodation in Adamsdown therefore need to be brought on line as a matter of urgency. While current demand from families is low this is likely to change when the lockdown measures are over and the restriction on evictions are lifted, therefore the family accommodation to replace the Adamsdown property needs to be fast tracked to ensure that this gap is filled as soon as possible. In the meantime it is proposed that social housing lets continue to focus on homeless cases and emergency moves to create the capacity needed to facilitate this change.

#### **Meanwhile use of sites for the provision of purpose built temporary accommodation**

64. This report sets out the range of schemes being proposed to offer long-term and sustainable housing options for homeless families and single people. Furthermore, the extreme urgency to deliver longer-term solutions for Temporary Accommodation to replace the leased hotels has been explained.
65. Speed of delivery is therefore critical and by using Modern Methods of Construction (MMC), we will be able to provide completed homes in a much faster period making meanwhile use of vacant council sites already benefiting from services.
66. The Housing Minister has been clear that homeless people should not have to go back to the street following the pandemic and eradication of street homelessness is a key objective of Welsh Government. As such Welsh Government have repurposed what would have been Innovative Housing Funding Year 4 for the provision of immediate homeless housing solutions using MMC. These projects have been discussed directly with

Welsh Government who are supportive of this approach and have indicated that they will provide grant funding for our projects. A further grant submission is being made for Welsh Government Capital Grant covering Covid 19 related homelessness recovery plans the deadline for which is the end of June 2020. The plans must be deliverable by the year end 20/21.

67. Two sites have been identified as suitable to deliver new-build Temporary Accommodation as a meanwhile use.
68. Site 1 at Hayes Place will provide 19 new modular homes using the Beattie Passive 'Haus4studio' pods. These pods have been specifically designed to provide single person units providing warm, safe and comfortable overnight accommodation for single people. The site also benefits from an existing office building which can be used to provide critical support to homeless individuals as detailed previously. The decision to direct award to Beattie Passive has been approved under a separate Officer Decision Report.
69. Site 2 at the Gasworks site, Grangetown will provide 50 flats as temporary accommodation for homeless families made up of 12 x 1 bed flats, 12 x 2 bed flats and 26 x 3 bed flats. The site has recently been acquired by the council for inclusion within the Housing Development programme and benefits from existing services.
70. In order to meet the required timescales for delivery and for the developments to be eligible for Welsh Government Homelessness phase 2 grant, a direct award is required as the scheme must be delivered by year end to be eligible. Furthermore, we must be in contract with the developer by year end for the IHP4 grant. As such we are seeking approval for this approach using the Cabinet Office Procurement Policy Note (Responding to COVID-19) PPN 01/20 – direct award due to extreme urgency (regulation 32(2)(c) under the Public Contract Regulations 2015.
71. It is believed that this route is suitable as;
  - We are reacting to a current situation that is a genuine emergency - not planning for one. The Covid 19 pandemic was obviously unforeseen and has resulted in the Council taking some immediate and swift measures to provide the support needed for both street homelessness/single person homelessness and the potential increase in family homelessness. We now have over 140 homeless people being housed in short-term hotel provision. In order to ensure that long-term and sustainable solutions are in place to prevent homeless people returning to the streets the various solutions outlined in this report are being proposed. The continuation of the leases is not an option that can be taken forward as owners of the hotels are expecting the market to improve and are anticipating operating the buildings as hotels again in the near future. It is imperative that the Council is able to have a longer term solution. If we are unable to deliver the modular schemes the risk is that many homeless people will return to the streets.

- Insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with. As set out in this report we are working within very strict timeframes. Firstly to ensure that long-term sustainable homeless provision is in place at the time that the short-term hotel provision is scaled back/removed and to ensure the remodelling of the Adamsdown property can take place, thus preventing people from returning to street homelessness as set out clearly by the Housing Minister. Secondly to ensure that we can meet the requirements of Welsh Government Capital grants that are available. There is no time to run an accelerated procurement under the open or restricted procedures or competitive procedures with negotiation in order to achieve a project completion by year end.
  - There is no suitable framework or dynamic purchasing system available to us that will enable us to meet the timeframes we are working to. In order to comply with the grant requirements and deliver the schemes before year end we must be able to place orders to begin the manufacture of the modular units in July. The lead-in time to prepare for manufacture is such that not being able to place the orders in July will prevent us meeting the timescales. Furthermore, both parties must be able to enter into a suitable building contract for the projects. Contract negotiations are on-going to ensure documents can be agreed by July 2020. In this case we are using the JCT 2016 D&B form of contract. Again, this means we are unable to run a mini-competition to a framework as even with a reduced tender period we still need time to negotiate the form of contract required.
  - The Beattie passive system is already fully certified, compliant with all Welsh Regulations and they are able to deliver the modular units for both schemes within our required timescales. Furthermore, the Beattie Passive system offers a unique standard in the form of being fully PassivHaus compliant, ensuring that the costs of heating the homes are extremely low for tenants and sustainable and the system is fully demountable and can be moved elsewhere in the future if required. The costs of both projects can be benchmarked against the MMC projects we have already delivered to show value for money. The costs and benchmarking of costs against schemes already delivered are provided in Appendix 1.
72. Furthermore, in response to the exceptional challenges presented by from COVID-19, the Town and Country Planning (General Permitted Development) (Amendment) (Wales) Order 2020 (“the Amendment Order”) came into force on 30 March 2020.
73. The Amending Order inserts a new Part 12A (Emergency Development by Local Authorities) into Schedule 2 to the GPDO, permitting local authorities to undertake any form of development, as defined by section 55 of the Town and Country Planning Act 1990, on land owned, leased, occupied or maintained by the local authority for the purposes of:

- a) preventing an emergency;
  - b) reducing, controlling or mitigating the effects of an emergency; or
  - c) taking other action in connection with an emergency.
74. Part 12, A.2 confirms that development in relation to homelessness is one of the types of development permitted by the new amendment. Part 12, A.1 effectively limits the use of development that is permitted under the amendment for a period of 12 months, after which the land must be restored to its former condition.
75. In summary, there is no need to apply for planning permission for development for temporary housing for people made homeless in connection with the Covid 19 emergency, because it is permitted under the amendment. However, if the temporary housing is to remain in situ for longer than 12 months, a planning application should be submitted to allow its use beyond the 12 months.
76. Both schemes must be delivered before the 31<sup>st</sup> March 2021 and in order to achieve this orders must be placed for the construction of the accommodation units before the end of July 2020. If this can be achieved it should be possible that scheme 1 can be completed by December 2020 and scheme 2 no later than March 2021. As eluded to above this leaves no time to use normal procurement procedures.
77. Therefore approval is sought to procure 50 units by direct award to Beattie Passive for the Gasworks site. The combined value of both Beattie Passive schemes and benchmarking are provided in Appendix 1.
78. Should Welsh Government Capital grant funding not be approved for Hayes Place and Gasworks site future development schemes in the Housing Development programme will be slipped or removed to fund these projects

### **Local Member consultation**

79. Local ward member consultation has taken place for all sites covered in this report. The ward members for Adamsdown noted the change to the focus of the building current used for family accommodation, and have asked to be involved in the designs to ensure that impact on the community can be minimised. It should be noted that the Adamsdown members did express concern about the Newport Road repurposed student accommodation due to its location and to the issues in the immediate area.
80. Due to the pressing need for additional accommodation and the lack of other available options, it has been necessary to proceed with this site however work is ongoing to mitigate the concerns raised by members, including 24 hour security presence, extended CCTV and close working with other supported housing schemes nearby. Officers will work closely with the police and other key partners to identify and mitigate any potential issues ahead of the opening of the new facilities. A multi-agency

review will also be carried out to identify the wider issues in the area and any action that that can be taken to address these.

81. The ward members for Riverside were consulted about the use of Hayes Place as a homeless assessment centre. They raised concerns about the overall level of homeless provision in Riverside and the impact this was having on the community. Assurances were given that the provision for single homeless people in the OYO hotel in Riverside would cease as soon as alternative provision is put in place, this is expected to take place early in September 2020, well before the planned date for the opening of the homelessness assessment centre. There are no plans for the future use of the OYO site for further services.
82. Assurances were given that the services proposed for the former Transport Club will no longer go ahead, in addition the review of the second stage community houses will have a positive impact on Riverside and should overtime achieve a net reduction in supported housing services in the area. Again officers will work closely with the police and other key partners to identify and mitigate any potential issues ahead of the opening of the Hayes Place facility. Riverside ward members also expressed concern about the location of the needle exchange facility in the area, discussions have commenced with Public Health colleagues regarding a new approach to needle exchange and the possible relocation of this facility, initial talks regarding these changes have been positive and a group is being established to take this work forward. Ward members will be kept informed of the progress of this group.
83. Local Ward members have been consulted with regarding the proposal for the meanwhile use at the Gasworks site and are supportive of the scheme.

### **Scrutiny Consideration**

84. The Council's COVID19 Scrutiny Panel is due to consider this report on 14 July 2020. Any comments received will be reported to the Cabinet meeting.

### **Reason for Recommendations**

85. To set out a range of measures being take to address homelessness in Cardiff.

### **Financial Implications**

86. The report proposes a number of interventions that have financial implications. It is important to note collectively these interventions rely on WG grant as well as Council funding which at the time of writing have no notified approval from WG in terms of certainty, terms and conditions nor longevity. Accordingly the report identifies that where continued WG funding is not confirmed, proposed schemes may have to be repurposed to lower needs schemes with significantly reduced operational costs.

87. In addition, officers are currently reviewing existing grant funded homelessness schemes with a view to phasing them out over a 3 year period commencing in April 2020/21 and to release resources to part fund the proposed new model of service.
88. This will inevitably be a complex process of transitioning between schemes which will require close monitoring of all revenue commitments in order to ensure that expenditure is within available resources and does not impact adversely on the Council revenue budget.
89. The report proposes entering into a number of management agreements, leases, or operating arrangements for various additional properties. When considering such proposals, as well as the ongoing operating costs of the buildings and services to be provided, it is important to consider the VAT implications, initial capital expenditure implications as well as any dilapidation obligations at the end of the period of use.
90. Provision for future liabilities will need to be made as appropriate and fully captured within the budget setting process for these services over the period of any agreements. Any potential impact on the Council revenue budget needs to be identified and immediately addressed in order to ensure that this is limited and contained.

### **Revenue Implications**

91. Appendix 3 sets out the estimated revenue costs and funding streams for the proposed homelessness strategy as detailed within the report.
92. This identifies costs of circa £6.4 million per annum from 2021/22 which will be partly met by Housing Benefit receipts and one off grant funding estimated at £683,000. This leaves a potential funding gap of circa £2.7 million per annum for which Welsh Government funding is currently being sought.
93. At this stage, Welsh Government have not confirmed that this funding gap can be met and there is no certainty of continued funding or the period for which any funding will be made available.
94. Accordingly, there is a significant element of uncertainty in terms of risk mitigation, financial exposure and ongoing sources of funding for the proposed homelessness strategy. The report identifies that schemes may need to be modified to lower needs schemes to match available funding and other schemes phased out in order to release funding for this new model of service. It is essential that these service developments and changes are monitored closely to fully understand the financial impact and funding sources as the strategy develops.

### **Capital Implications**

95. Appendix 4 sets out the Capital costs of the strategy proposed. Some of the cost is to be incurred by external partners, whereas costs in respect of Briardene have already been considered by Cabinet in June 2020 as part

of a report on the acquisition of additional properties from the Cardiff Living Scheme.

96. The proposals rely on the Council receiving £11.454 million of grant from WG grant funding sources, with partners receiving £2.390 million. Whilst bids have been submitted, no confirmation exists whether formal or informal as to approval or otherwise of any requests for funding. In the event that the level of grant funding assumed is not available, funding identified in the budget for new build schemes will be reduced or relevant sites be deferred to future years.
97. In the event that additional costs have to be incurred in moving the modular units from the gas works site, consideration will need to be given to any additional costs arising and the risk of abortive costs. Any such costs, if required to be incurred will need to be managed within the approved budget for new build schemes in the Capital programme or within the Housing Revenue Account budget as appropriate.

### **Legal Implications**

98. The Council has general power under s.120 of the Local Government Act 1972 to acquire land, including leases for any of its functions; or for a purpose which benefits, improves or develops the area of the Council. The Council's Disposal and Acquisition of Land Procedure Rules requires the decision maker to have regard to advice from the Council's valuer.
99. A local housing authority has duties to the homeless under Part 2 of the Housing (Wales) Act 2014. A local housing authority must carry out a homelessness review for its area, and formulate and adopt a homelessness strategy based on the results of that review.
100. They must carry out an assessment of a person's case, if the person has applied to a local housing authority for accommodation or help in retaining or obtaining accommodation, and it appears to the authority that the person may be homeless or threatened with homelessness.

### **Equality Duty.**

101. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of 'protected characteristics'. The 'Protected characteristics' are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

## **Well Being of Future Generations (Wales) Act 2015**

102. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff Council's Corporate Plan. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
103. The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them
104. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

### **General**

105. The decision maker should be satisfied that the approach is in accordance within the financial and budgetary policy and represents value for money for the council.
106. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.
107. It is understood that grant funding has been applied for. The council will need to comply with any grant conditions associated with such funding.

108. Exempt legal implications are provided in Appendix 2

### **HR Implications**

109. An overview of the staffing requirements for these schemes has been set out in the body of the report. Any new posts or additional staff that are required will be created and recruited in line with corporately agreed council policies and procedures. There will be full Trade union consultation on any staffing matters.

### **RECOMMENDATIONS**

Cabinet is recommend to:

1. note the steps already taken to secure additional permanent homeless accommodation to replace temporary provision and ensure that no service user will experience a reduction in service availability as lockdown measures are relaxed.
2. agree the way forward for homeless services as set out in the report including the need to make representations to Welsh Government for ongoing funding to ensure the “No Going Back” strategy for single homeless people is sustainable.
3. note that in the event grant funding is not at the levels assumed within the report, options for schemes will need to be reviewed and revised to achieve lower operational costs and within available budgets, this will impact significantly on the overall effectiveness of the approach.
4. approve a direct award contract to Beattie Passive to deliver 50 temporary accommodation units at the Gasworks site for the reasons outlined in this report.
5. delegate responsibility for the leasing of private domestic properties under the Welsh Government Leasing Scheme to the Assistant Director for Housing and Communities following appropriate advice from Strategic Estates.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Sarah McGill</b> <b>Corporate Director People &amp; Communities</b>
	10 July 2020

*The following appendices are attached:*

- Appendix 1 – Costs associated to Gasworks & Hayes Place (confidential)
- Appendix 2 – Exempt legal implications (confidential)
- Appendix 3 – Revenue Costs
- Appendix 4 – Capital Costs (confidential)
- Appendix 5 - Equalities Impact Assessment

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**Appendix 3  
Cost of Ongoing Homelessness Schemes**

	<b>Project(s)</b>	<b>Revenue Cost 2020/21</b>	<b>Income from Housing Benefit</b>	<b>Delivery Start Dates 2020/21</b>	<b>Funding secured via existing WG Grants</b>	<b>Funding Requested from WG Covid Homelessness Funding 2020/21</b>	<b>Revenue Annual Cost 2021/22</b>	<b>Income from Housing Benefit</b>	<b>Funding secured via existing WG Grants 2021/22</b>	<b>Ongoing Funding Required for 2021/22</b>	<b>Ongoing Funding for Contractual Commitments</b>
		<b>£'000</b>	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
1	Countisbury House	490	(200)	July – March 21	0	(290)	660	(266)	0	394	0
2	Additional Multi-Disciplinary Team	160	0	July – March 21	0	(160)	213	0	0	(213)	0
3	Hayes Place Assessment Centre	483	0	April– March 21	(483)	0	483	0	(483)	0	0
4	Hayes Place Accommodation	130	(83)	Jan– March	0	(47)	507	(333)	0	(174)	HRA – (174)
5	Adamsdown Facility	1,507	(999)	Aug – March 21	0	(508)	2,278	(1,714)	0	(564)	(240)
6	Newport Rd	724	(524)	July – March 21	(200)	0	899	(699)	(200)	0	0
7	Rapid Rehousing Integrated Housing Support Team & Sail	781	0	Aug – March 21	0	(781)	1,339	0	0	(1,339)	0
<b>Total</b>		<b>4,275</b>	<b>(1,806)</b>		<b>(683)</b>	<b>(1,786)</b>	<b>6,379</b>	<b>(3,012)</b>	<b>(683)</b>	<b>(2,684)</b>	<b>(414)</b>

<b>Phased Decommissioning Plans of Community Houses</b> (Funding available through decommissioning services - £1.8m over 3 years)		
<b>Year 1 21/22</b>	<b>Year 2 22/23</b>	<b>Year 3 23/24</b>
<b>450k</b>	<b>600k</b>	<b>750k</b>

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<b>Policy/Strategy/Project/Procedure/Service/Function Title: HOMELESSNESS – THE RESPONSE TO THE COVID 19 CRISIS AND DELIVERING THE FUTURE SERVICE MODEL</b>
<b>New/Existing/Updating/Amending: New</b>

<b>Who is responsible for developing and implementing the Policy/Strategy/Project/Procedure/Service/Function?</b>	
Name: Louise Bassett	Job Title: Partnership Delivery
Service Team: Partnership Delivery	Service Area: Housing and Communities
Assessment Date: 30/6/17	

**1. What are the objectives of the Policy/Strategy/Project/ Procedure/ Service/Function?**

<p><b>HOMELESSNESS – THE RESPONSE TO THE COVID 19 CRISIS AND DELIVERING THE FUTURE SERVICE MODEL</b></p> <p>Cardiff is proposing significant change in the way it delivers single people and family homeless services this year.</p> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>• To provide accommodation and support for homeless people as a response to Covid 19 Pandemic and in the future.</li> <li>• To provide information on steps already taken to secure additional permanent homeless accommodation to replace temporary provision and ensure that no service user will experience a reduction in service availability as lockdown measures are relaxed.</li> <li>• To improve the provision of accommodation and support available for single homeless people and families.</li> </ul>
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**2. Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]**

<p><b>Background</b></p> <p>In recent years, like all major British cities, Cardiff has experienced a dramatic rise in the number of people homeless or rough sleeping. Working with our partner's we have made very significant progress in reducing the number of individuals sleeping rough and in March 2020 we had achieved the lowest level for six years.</p> <p>Following extensive research into good practice across the world proposals were developed</p>
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to improve partnership services to maximise prevention, ensure effective assessment of need and deliver the right accommodation pathways to meet the wide range of needs presented by our single homeless clients. This approach was endorsed in our Corporate Plan 2020/23. A multi-agency steering group was established to deliver this new vision chaired by the Cabinet Member for Housing and Communities.

At the beginning of March 2020 there were 30 rough sleepers in Cardiff, down from 84 rough sleepers the previous year. The key presenting need for those rough sleeping was substance misuse although the complex nature of the issues faced by these individuals meant that most also had other challenging health needs.

In addition, there were 140 individuals in emergency accommodation, 98 of whom were sharing spaces. More than 600 individuals were being housed in hostel and other supported accommodation.

Cardiff had already carried out a strategic review of services and was preparing for change of services for single homeless and vulnerable people. This was in response to the increase in complexity of vulnerable clients and the subsequent difficulties that our accommodation and support providers are experiencing when supporting these vulnerable groups. The consensus had already been reached that a new approach was needed to deliver real change.

**Response to Covid 19 Pandemic**

It was crucial that significant levels of additional self-contained accommodation was sourced quickly in order to ensure that no-one remained on the street and specifically that individuals could self-isolate should they be symptomatic of the virus. The numbers residing in existing emergency accommodation had to be very significantly reduced to ensure that the virus did not spread within this vulnerable group.

**Accommodation**

In the first 3 weeks of the crisis 140 clients were rehoused into accommodation where they could shield / self-isolate. In total 182 units of supported accommodation have been established made up of:

- 20 Isolation units (Shipping container developments repurposed to meet this need from family temporary accommodation)
- 2 Hotels 130 units in total (OYO and YHA)
- Move on accommodation (16 units (Countisbury House, Llanrumney)
- Re-purposed building (16 units) (Parade in Plasnewydd)

**Support**

24 hour support and security staff were allocated to all sites and 3 meals a day and snacks have been provided to ensure that clients can remain at the property at all times.

As clients remained in the accommodation brought on line in Phase 1 it quickly became clear that there was an unprecedented opportunity for services to work with clients who wanted to take a step away from substance misuse. Work was undertaken with colleagues from the APB, Health, Kaleidoscope and G4S to provide services directly into the hotels, hostels and supported housing aimed at harm reduction and rapid prescribing.

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A funding commitment for 20/21 to increase and maintain access to the drug substitute

**Delivering the Vision**

Buvidal was made available with the support of Welsh Government. The results have been exceptionally positive with 75 clients receiving support via the Rapid Access to Prescribing Pathway. There are ongoing discussions with the APB and Health Partners on how this change in service delivery and improved engagement can be maintained for this cohort.

There has also been a significant demand for therapeutic interventions and counselling. More workers in this role are required to allow for the long-term, gradual engagement necessary to support those experiencing social exclusion and complex trauma to engage with services and move on in their recovery.

**Phase 2 - Response**

**Extension of arrangements with the OYO and YHA Hotels**

As part of the Phase 2 response and to ensure that accommodation remains available for single homeless people in the short term immediate action has been taken to extend the arrangements with the 2 hotels.

The arrangements with the OYO and YHA hotels are both due to expire in June unless extended, there are 44 individuals housed in OYO and 91 in the YHA. Failure to extend the hotels will have removed housing from 135 vulnerable individuals, resulting in a return to street sleeping. Therefore, Cardiff has extended both hotels whilst alternative housing options are brought on line, these solutions are set out later in the proposal.

- OYO - Block Room Booking has been extended for the period 21 June 2020 to 21 September 2020
- YHA - Licence Agreement has been extended for the period 30 June 2020 to 15 December 2020

The extensions will allow for a period of transitions time whilst the new accommodation is set up and each clients need is assessed to ensure the accommodation they are allocated is appropriate for their need.

**Additional Accommodation during Covid 19**

**Cargo House – Self Isolation Units**

Shipping containers in Butetown and Ely have also been used as isolation units during the pandemic. Offering 20 units of self-contained high quality accommodation with staff and security on site 24/7. It is proposed that this accommodation continues for the rest of the year, especially as track and trace protocols are put in place and the need to self-isolate continues.

**The Parade**

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The Parade is a repurposed education building providing 16 units of temporary supported accommodation and is staffed 24/7. The scheme is a partnership between Cardiff Council and the Further Education Trust. Referral into the project is made via Outreach and MDT and clients using the accommodation are currently case managed by the team. The scheme is providing an interim emergency accommodation and assessment function whilst Hayes Place is developed. The plan is to close this provision by December 2020 as the Assessment Centre in Hayes Place is brought on line.

**Countisbury House**

Countisbury House was secured in May for 12 months in partnership with the Pobl Group. It provides 16 good quality self-contained units of accommodation. The site is currently used as a move on pathway for complex individuals that are ready to try a more independent living lifestyle. The accommodation is situated in a residential area away from the City Centre with significant space in the building to run training opportunities and a medical suite for health interventions. Negotiations are on-going with Pobl, with the intention to secure the facility for the longer term for continued use as a move-on provision for those with complex needs.

The initial feedback from residents and staff has been positive and there has been no community impact reported. Some capital expenditure is required on site to improve security such as CCTV, safety screens and door entry systems. There is also potential to add in more self-contained accommodation by remodelling a wing previously used for staff at a later stage of the year.

**The Challenge Continues**

Since March there has been an increased demand from single homeless (45 individuals a week being housed in some weeks, compared to an average of 25 previously) there is also the risk of early release of prisoners planned although numbers at this stage are unknown. Another concern is when lockdown measures end and the suspension of evictions is lifted a spike in demand is expected.

There are currently 29 people in provision who have no recourse to public funds, this number is likely to increase over the coming months. During COVID-19 asylum seekers who have received a decision continued to receive accommodation and subsistence from the Home Office as the move on process was suspended, once this is removed there is a potential high number of refugees and leave to remain clients expected to request support from the Council for housing.

The current accommodation available in the City and the high levels of support needed will not meet existing demand so immediate and urgent additional provision has to be put in place.

There is also the need to continue meeting health and wellbeing needs – Our clients are more likely to suffer from mental ill health, physical ill health and substance misuse, and at the same time less likely to access the health services they need. (Tri Morbidity

**Meeting the needs of Single Homeless People in Cardiff**

The experience of the response to the pandemic so far, combined with the work previously

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undertaken to review the current service model has made clear the need to provide additional good quality self-contained accommodation, with multi agency support.

The vision for the future has 4 key components:

- **To Prevent Homelessness Wherever Possible** – and where it is not possible for the experience of homelessness to be rare, brief and not repeated.
- **To deliver an Assessment/ Triage Approach** to all those presenting as homeless. A service that will comprehensively assess and identify the needs of the person, where necessary on a multi- agency basis, to ensure that the recommended accommodation and support solution is put in place.
- **Good Quality, Self-Contained Accommodation in a Supported Setting** - For those with the most complex needs the model recognises that longer term specialist accommodation will be required but that this will be good quality, self-contained accommodation that can provide a home environment in a supported setting
- **Rapid Rehousing / Housing First / Intensive Support in the Community** - Move away from the staircase approach to rehousing where clients moved on from supported accommodation to independence in stages. The new model will enable separate pathways for clients who are able to move directly to rapid rehousing with lower needs or housing first or community housing with intensive support as appropriate

The vision for Cardiff is very much in line with Welsh Governments “No Going Back” approach. This vision will be achieved by developing new services, remodelling current provision and decommissioning others as part of the ongoing review of services over the next 3 years.

Our plans are ambitious and reflects a strong commitment to the rapid rehousing philosophy and offers better coordination of services by introducing a new pathways with proper assessment and more defined and specialist pathways and direct routes into settled housing.

**Phase 2 Response - Delivering the Vision**

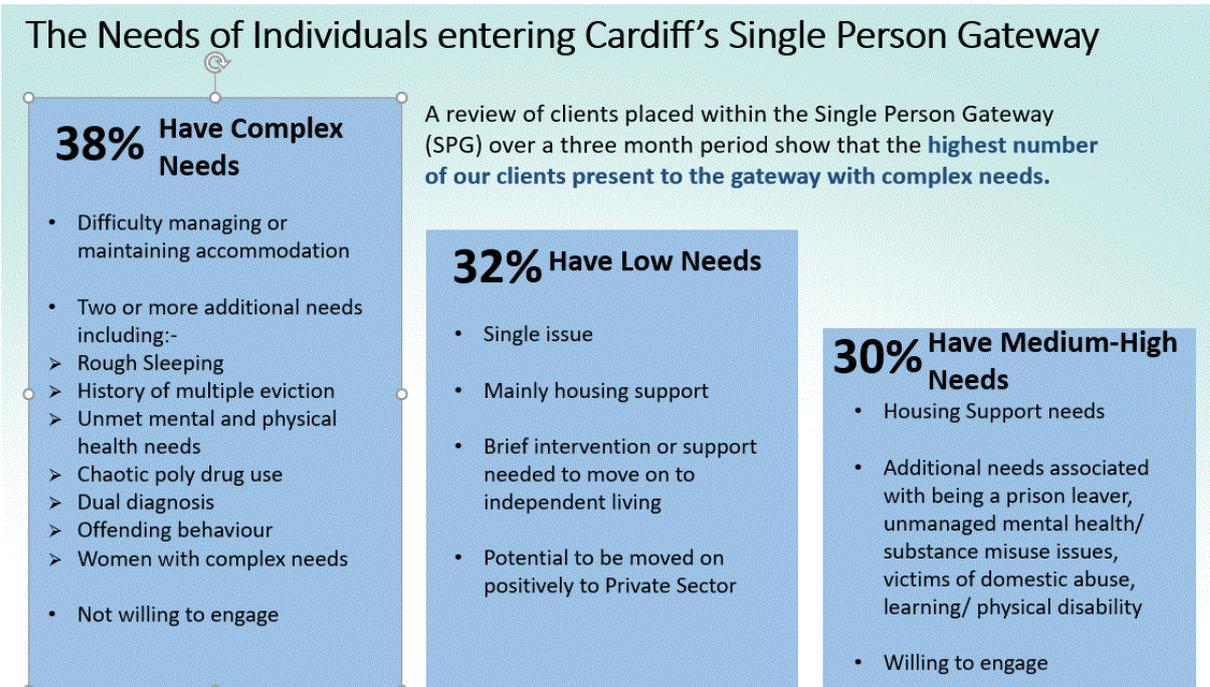
Cardiff has undertaken a comprehensive mapping exercise of all its accommodation and support provision over the last 5 years. This has resulted in significant new service developments for VAWDASV, Young People’s Accommodation/Support Services and Floating Support. All of these services have defined gateways into service and protocols in place to ensure there is rapid assessment of both support and housing needs.

**Strategic Review Single Persons Services**

There has also been extensive mapping work undertaken to better understand people’s levels of need when accessing services provided by Cardiff Council and its Partners. Improving the quality of temporary, emergency and supported accommodation and improving the pathway into long term settled accommodation was the overarching aim of the strategic review. There are up to 1400 individuals using the Single Persons Gateway each year with over 600 units of accommodation in use at any given time.

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The information collected in December 2019 resulted in providing us with a better



understanding of the levels of need and numbers of people in each cohort, this data has been invaluable as a starting point to understanding how we can better meet the needs of people entering the single person gateway.

**Issues Identified**

Through the review undertaken it has been identified that some existing smaller units of supported accommodation have proved less successful in meeting the increasingly high level of client needs, resulting in high rates of eviction and abandonment. Move on from these projects is also very slow, it is intended to move away from the staircase model where clients move through several projects in their journey towards independence, towards a rapid rehousing approach with appropriate support, and this will be based on individual need rather than the accommodation.

It is intended to move away from supported community houses over a 3 year phased basis. The funding released in the next 3 years will be reinvested into delivering the vision. Services need to be organised in such a way that people experiencing homelessness can expect a trauma, person-centred response.

There is also a need to review the abstinence /substance misuse pathway projects in conjunction with partners in Heath. This review will be undertaken over the coming year. Again, where possible the model will be to move away from long periods in supported housing.

Staff across the partnership need to be well informed and, where necessary, well trained in responding to trauma, addictions and mental ill-health. Staff will be supported to develop skills and the full adoption of a psychologically-informed and trauma-informed approaches

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service delivery.

Due to the significant numbers of people who have been supported into accommodation during the pandemic. It is paramount that we focus on improving the quality and variety of emergency and temporary accommodation currently being provided in the short and medium term during this recovery period.

As we move into the second phase and delivery of the vision 140 people will need to be supported out of the Hotels and up to 100 from other emergency accommodation, this is in addition to the number already in services. To assist with ensuring continue to engage with services a full assessment of their accommodation and support needs will take place. Everyone will have an individualised plan developed to cover their journey out of the hotels and emergency provision and into more settled accommodation, with a key worker in place.

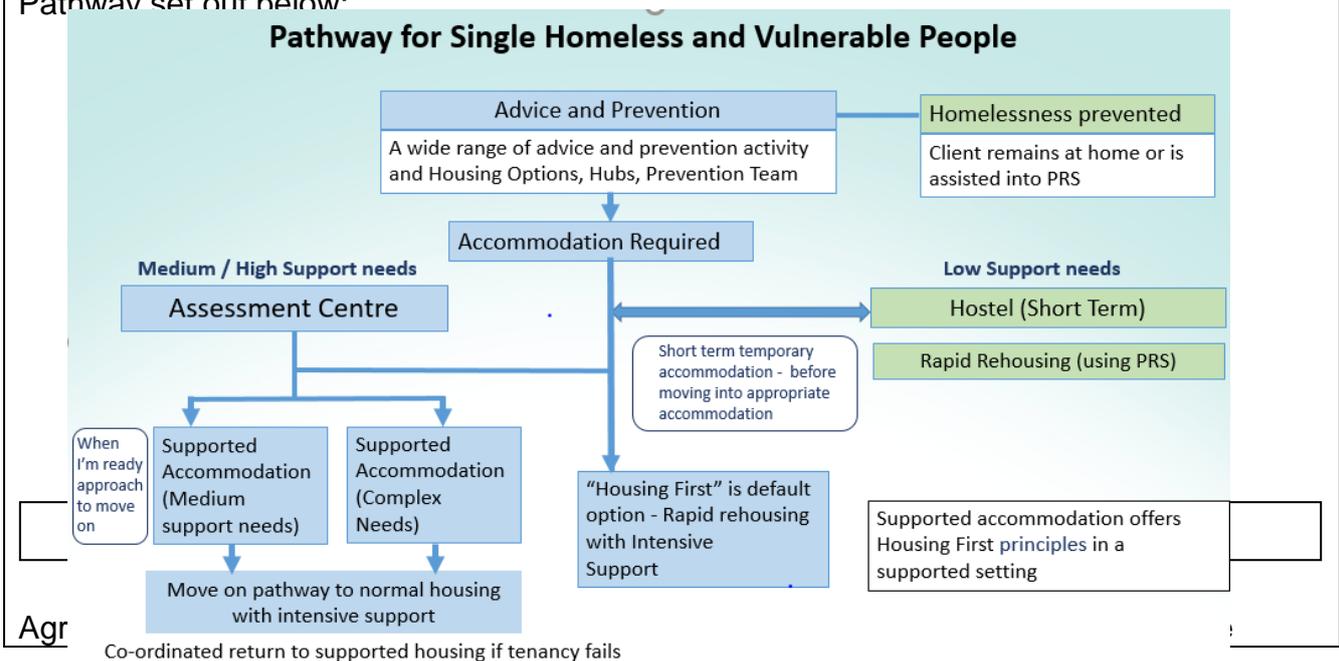
Cardiff is also proposing to identify the current needs of every client (600) within all its schemes with our partners and develop a transition plan for each person. A Development Manager post will be put in place to coordinate, develop and embed the Rapid Rehousing approach and move on protocol across all provision in the gateway.

**Pathway into Single Homeless Services**

A range of partners were involved in the development of this new pathway and this had been well received in consultation sessions. The findings from this strategic review has been combined with the learning from the pandemic to develop the new vision for homeless services for single people in Cardiff

We have already identified that around 38% of people that come into homeless services have multiple and complex need. As well as additional accommodation significant resources will be needed to provide assessment, good quality key working and case management support during the phase 2 recovery period.

Pathway set out below:



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assessment and triage centre solution for Cardiff. It will become the primary base for the Homeless Outreach and Multi- Disciplinary Team from July 2020. The building is suitable for the multi-disciplinary service and a modular solution for the provision of on-site accommodation (19 units) which has been sourced and will be in place by December 2020.

Considering the experience of other UK and European cities the need for an appropriate assessment and triage centre for single homeless individuals is essential. Once the accommodation is in place the centre will be available for 24 hour access for referrals by trusted partners and would be a fully multi-disciplinary provision. The centre would provide good quality emergency accommodation which would enable clients to stabilise and stay for the period of their assessment.

### Multi- Disciplinary Team

The assessment centre will become a co-ordination point for our multi-disciplinary complex needs services including street and hostel outreach. The service will allocate individuals to the most appropriate accommodation solution following the assessment process. The team would ensure the appropriate level of on-going support is sourced and in place.

The success of our multi-disciplinary approach has been considerable and it is proposed to build on the current team, funding is secured at this time for the elements below:

- MDT Manager
- Mental health Nurse
- Mental health Social Worker
- Advocate
- Outreach/Key Workers
- Female Specialist Workers
- Primary Care Nurses
- Substance Misuse Nurses
- Substance Misuse Workers
- Probation – start date TBC
- Therapeutic Outreach
- Counselling
- Housing Support workers
- Peer Support
- Rapid Access to Prescribing
- Divisionary Activity Worker

The Multi-disciplinary approach will ensure that substance misuse services are not offered in isolation but alongside therapeutic and mental health provision. The existing Multi-Disciplinary Team will be expanded so that support follows the individual client - on the street, in supported housing and in the community.

The Assessment Centre and the Accommodation site will be open 24 hours, to manage the intake and assessment process. The pathway for those with complex need will start with the triage and assessment process.

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The levels of intensity and duration of support will be carefully considered as part of the assessments process. Prevention will feature highly with lower need clients following a separate pathway that focuses on developing the quickest route, with support if needed into the most appropriate and sustainable accommodation available.

High need and more complex clients will be provided with a tailored package of support, these will include specialist pathways for women and those who want to address their substance misuse issues.

The team have also identified the following resources will be required to ensure the assessment centre provides a comprehensive assessment of need and range of primary health care needs can be met.

There is ongoing dialogue with our health colleagues to develop and provide the resources below set out below:

Primary care	Proposal
Direct access to GP	Dedicated GP hours within the Assessment Centre and for outreach provision at larger accommodation sites.
Direct access to Psychiatrist	Dedicated GP hours within the Assessment Centre and for outreach provision at larger accommodation sites.
Podiatrist	Dedicated hours/sessions with podiatrist at the assessment centre/outreach
Optometrist	Dedicated hours/sessions with optometrist at the assessment centre/outreach provision
Dentist	Dedicated hours/sessions with dentist outreach/assessment centre

**Emergency Accommodation**

The accommodation for the assessment centre will be placed on the car park area of the main building and will consist of 19 new modular homes using the Beattie Passive 'Haus4studio' pods. These pods have been specifically designed to provide single person units providing warm, safe and comfortable overnight accommodation for people.

**New Specialist Supported Accommodation**

As highlighted, support will follow the client into each scheme from triage/assessment, this will ensure support is wrapped around the client, not the accommodation. Key workers will be assigned at point of assessment and work with the client until they are placed in longer term accommodation.

Following intensive research and site visits undertaken prior to the pandemic it has been possible to identify the key features of good quality specialist supported accommodation. The main factors are that the units must be self-contained, that there is access to support on-site 24/7, that health and other essential services attend the clients in the facility rather than relying on individuals attending for outpatient appointments elsewhere.

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Key working underpinned by a case management approach are also important. Wrap around service such as counselling and therapeutic services should also be available in all the new facilities along with education and work experience opportunities.

One of the key pieces of learning from the pandemic has been the introduction of digital engagement. During lockdown counselling, substance misuse and harm reduction services have been delivered directly into the hotels and hostels. Nurse led substance misuse services have revolutionised treatment with virtual GP assessment and use of new drug substitutes. This has made the services more accessible to clients and some elements of digital support will continue.

The current level of need for additional specialist accommodation in Cardiff is estimated at 200 units. Following consideration of options and taking advice from a wide range of the preferred solution to introduce these high quality facilities is to refocus provision at Adams Court in Adamsdown and secure student accommodation on Newport Rd.

**Adams Court Supported - Housing Complex Need**

Adams Court is owned by United Welsh Housing Association and it currently provides temporary accommodation for a mix of 74 families and individuals. The plan is to repurpose the accommodation for single homeless. There is also an opportunity to repurpose 49 neighbouring flats in Baileys Court for more settled long term accommodation, including piloting a congregate Housing First approach, similar to the models of delivery in Finland.

The proposed Adams Court integrated facility would comprise of approximately 103 self-contained units with intensive support on site 24/7. There would be space for health and therapeutic services. Into-work, educational and diversionary activity could also be provided on site and the building would have 24 hour security, CCTV and support staff in place. The core services on site will be delivered directly by the Council with significant input from health and other partners.

**Newport Road Supported Accommodation – Medium/High Support Needs**

To add to the availability of short term supported housing options the council has worked with the Pobl group to secure a 46 unit block of flats on Newport Road. The units were previously used as student accommodation and in the immediate term the accommodation will be used to transitions clients from the two hotels. The longer term plan for the site from 2021 will be to provide self-contained short term supported accommodation for those with medium/high support needs.

**Rapid Rehousing Models**

We are proposing to create support teams that will be integrated with and co-ordinated by

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the Multi-Disciplinary Team to support people from triage/assessment through to move on and life in the community. The model will be underpinned by the Critical Time Interventions approach and follow many of the principles of Housing First but with a more time limited approach. Critical to approach will be support from community safety and other criminal justice services such as Police, Probation and HMPPS.

**Rapid Rehousing – Integrated Housing Support Team (IHST)**

This team will focus on the complex individual and their needs and key workers will have caseloads of no more than 15-1. The key workers in the team will provide enhanced case management support that follows the individual client on the street, in temporary accommodation and on into the community. The support will be intensive followed by a gradual and supported transition to community resources, critical time intervention is expected to reduce the likelihood of placements and eventual housing breaking down. There will also be a diversionary activities team that will focus on providing a range of opportunities to support engagement, development and social links to help people achieve and maintain their accommodation.

As part of the approach the team will focus on providing emotional and wellbeing support and responses to crisis such as tenancy rescue or exploitation of vulnerable clients in the community, working to stabilise if possible. Allocation to the team will be co-ordinated by the assessment centre supported by the Multi - Disciplinary Team.

**Supported Accommodation Independent Living Team (SAIL)**

The current SAIL Team will be increased and work with complex high need clients using the same critical time intervention approaches as the integrated housing support team. They will provide more intensive support to clients that are in supported accommodation already and ready to transition into independent living. Although time limited the ratio for this team will be 10-1 and will also include responses to crisis such as tenancy rescue and exploitation of vulnerable clients.

**Housing First**

Funding has been secured this year to expand the existing 3 Housing First projects to provide 55 units of dispersed support. Whilst no additional funding is requested this year the aim is to seek additional funding in 21/22 to expand to 102 Units by April 2021. This will be achieved by securing 47 more units in Baileys Court. This will be a congregate model based on learning from Finland. By expanding to a congregate model in 20/21 the Housing First offer in Cardiff will consequently have a broader spectrum of choice available for those suitable for Housing First support.

**Rapid Rehousing – Floating Support**

The current Floating Support Contracts already in place and funded via the Housing Support Grant will continue to be utilised during phase 2 to undertake targeted work to prevent homelessness in the community and support resettlement and move on for those clients currently in second stage low to medium need supported houses. The teams have caseloads of approximately 1 – 30. Floating Support is accessed via an established gateway co-ordinated by the Council and uses a case management approach to develop individualised plans for people with a range of Housing Support needs. Clients are still able

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to access more specialist support services if needed and the current teams are able to step back in and help if a crisis is identified to prevent homelessness.

**Existing Accommodation**

**Supported Accommodation High Need - Huggard/Tresillian Site**

As well as the new accommodation projects Cardiff has a number of existing projects available that will be refocused over the coming 9 months. The experience of the pandemic on the Huggard and Ty- Tresillian site has shown that with lower numbers in existing hostel space considerable improvement to outcomes for individuals can be achieved. Outstanding work has been delivered by our partners during the crisis and a move towards provision that is for residents and specific case based intervention only, rather than drop in, is seen as the way forward. The reduction in antisocial behaviour associated with some of the existing facilities has been marked. Partners have also highlighted the need to change.

The intention is to build on this success by making a permanent change to the delivery of services. This will impact particularly on the operation of the services at Huggard Buildings on Dumballs Road. Work is ongoing with the Huggard and with Health colleagues to fully design this new model of service.

The site will still focus on clients with complex need and those that are rough sleeping, rather than operating a drop in day centre. The Huggard team will work closely with the Multi-Disciplinary Team and Assessment Centre to find solutions.

**Supported Accommodation and Rapid Rehousing Low Need - YMCA Site**

YMCA Cardiff Housing Association (HA) will also be remodelled to provide a range of accommodation options for clients who have a lower support need and who are in need of housing. A more flexible provision will be available with wrap around support that is tailored to meet clients that present with lower need. The proposed service will include emergency accommodation, short term supported accommodation, rapid rehousing, with access to a private rented scheme and a resettlement service. Accredited training, volunteer placements, education and employment opportunities will also be available. A key element of the service will be to provide and source 50 units of private rented accommodation to assist clients to move on and sustain independent living. Levels of resettlement support will be provided to all clients dependent on their individual needs and move on pathway

There is also an opportunity to upgrade and increase the capacity of the current YMCA site from 81 to 110 units with the addition of 29 units of good quality self-contained accommodation.

**Summary of Single Person Homeless Services**

Cardiff is proposing significant change in the way it delivers single people homeless services this year. Key actions will involve piloting the approaches set out in this plan and implementing transition plan for existing clients.

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Proposed summary of Single Person Homeless Services is set out below

Summary of Single Person Homeless Services	
Assessment and Support Services	Assessment Centre Homeless Outreach / MDT Housing First SAIL (Supported Accommodation to Independent Living) Floating Support
High Needs Projects	Huggard Centre (Hostels and Intervention Centre) Adams Court Litchfield Court
Medium need / Move on Projects	Oak House Newport Road Countisbury House Julian Hodge (under review)
Medium / High – substance misuse specialist pathways To be reviewed	Ty Gobaith / Dyfrig House Janner House / Teal Street/Glan yr Afon/Croes Fynn
Womens Projects - To be reviewed	Ryder Street / Hamilton Street
Low Needs Projects	The Walk /The Ambassador/Move on Accommodation
A number of Community House Schemes will be phased out over 3 years	

### Young Person Gateway

In April 2019 Cardiff commissioned two contracts to work with young people experiencing Homelessness. A joined up approach has been taken to recommissioning services for young people, working across departmental and grant funding boundaries to commission comprehensive services that focus on the individual need, not just funding streams. The Council has established a Young Person’s Gateway to manage all accommodation and support need for young people. Previously services for homeless young people operated separately from services for ‘looked after children’.

The service now operates as a partnership between Homelessness, Children’s Services and a range of third sector organisation. There is discussion underway with Children Services and our partners to look at how capacity can be increased further this year to mitigate the effects of Covid 19.

### Accommodation for Families

The impact of the Covid pandemic on Family homelessness has been different to that experienced in relation to single individuals. The temporary ban on evictions in both the public and private rented sector, along with mortgage holidays for owner occupiers in difficulties has seen fewer families presenting as homeless. The Council and most Housing Associations continued work on vacant properties during the crisis and as a result move on from temporary accommodation for homeless families has remained effective.

This was particularly important as 20 family shipping container units located in Ely and Butetown were repurposed for self-isolation units and access to them has proved essential during the crisis.

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The future vision for family homeless is similar to that for single person homelessness:

- **Prevent homelessness** – homes are rescued if possible, if not as many families as possible are rehoused at this stage. Where prevention is not possible to ensure that **homelessness is rare, brief and not repeated**.
- **Assessment / Triage Approach** - Properly identify need, taking a multi-agency approach where necessary, and provide appropriate tailored solutions for each individual family.
- **Good Quality Emergency / Supported Accommodation** - short stay for most, some families will stay longer while they receive more support.
- **Focused support to achieve successful move on** - Move away from the staircase approach

Currently Cardiff has 555 units of temporary family accommodation. These are made up of 161 hostel and supported accommodation units and 394 leased units of accommodation. 72 of these supported housing units are in Adams court, the location in the city centre is not ideal for family homelessness.

Currently 157 families have been in temporary accommodation for more than 6 months. While the leasing schemes have proved very successful in the past in preventing the use of bed and breakfast for homeless families, they do lead to long stays in temporary accommodation, which can be disruptive to family life and the education of children.

There are two temporary accommodation leasing schemes in Cardiff, operated by Cadwyn Housing Association and Temp to Perm. Cadwyn Housing Association has recently approached the Council to advise that their scheme, the larger of the two, is no longer financially viable without additional input from the Council.

Following examples of the Scottish authorities Cardiff plans to move to a Rapid Rehousing approach and reduce the long stays for families in temporary accommodation. This will include more use of the private rented sector – both in Cardiff and in surrounding area.

The Council has recently agreed to become a pilot for a Welsh Government Scheme to lease directly from the private rented sector. The scheme will provide a 5-year lease giving households more stability over the medium term. Cardiff will be able to take on 66 properties under the scheme.

### Phase 2 - New Approaches

As a number of the hostel units are located at Adams Court and the move to use this for single people is progressing means that alternative family accommodation is needed. It is proposed to both facilitate this change and achieve the more appropriate alternative model of delivery for families by creating 3 centres for family homelessness.

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The locations for these centres will be:

- **Briardene on North Road**, a Cardiff Living Scheme due to deliver by the end of this financial year will provide 30 x 2 bed flats 6 x 1 bed flats 3 x 2 bed flats
- **Harrison Avenue in St Mellons** (a United Welsh building), will provide 18 flats made up of 14 x 3 bed and 4 x 2 bed
- **The Gasworks** – a new build site at the former gasworks site in **Grangetown** will provide 50 flats made up of 12 x 1 bed flats, 12 x 2 bed flats and 26 x 3 bed flats. The site has recently been acquired by the council for inclusion within the Housing Development programme and benefits from existing services.

These centres will offer 140 good quality family accommodation with staff on site during the day. Underpinned by a rapid rehousing approach a full assessment of need will be carried out and more intensive support provided for more vulnerable families. Partnership working with Early Help Services funded via the Children and Communities Grant and joint working arrangement with Health and Social Services will ensure families receive support that is tailored and follows them, from entry into homeless services right through into the community.

The aim would be to move families quickly from this accommodation directly into a settled home. Once fully operational this model would reduce the need for leased properties.

**Increase Access to Social and Private Sector Housing**

Further work to fully develop this new rapid rehousing model will be undertaken during the Phase 2 response period and will become the new normal by Phase 3. All three schemes will be delivered and operational before the March 2021.

**More Focussed Allocation of Social Housing**

As well as the new approaches prior to the virus it was agreed to focus more lets to homelessness for a temporary period, recognising the very high numbers of homeless households in temporary and supported accommodation. During the crisis only lets to homeless households and emergency moves from general waiting list have taken place.

A move on protocol is in place and has been tested during this period, this will be further developed during the response phase. Family move on from homelessness has been good and demand low, providing an opportunity for reconfiguring some schemes and to achieve a step change for family homelessness. Single person move on has remained quite slow despite targeting of this group, only 16 offers to date (due to need to respect sensitive / special letting arrangements in the community)

The focus of allocations on homelessness will continue for a further 6 months during phase 2 supported by a rapid rehousing approach. There will also be more specialist single person housing schemes included in all social housing development plans moving forward.

Cardiff has also invested significantly in buying housing stock from the open market to bring it into social housing stock.

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**Working with the Private Rental Sector**

Cardiff estimate there will be an additional 60 households per month requiring housing over the next 12 months. There will also be an increase in new presentations due to unemployment and a downturn in the economy.

There will be key points when these will be increased, at the end of the furlough scheme, evictions at 3 months and end of the temporary evictions policy, and ending of house repossessions due to mortgage defaults. Due to the downturn in the economy we predict new presentations will increase significantly particularly from October onwards when the furlough scheme ends.

There are currently several established Private Rental and Bond Schemes in place through the Council and its Partners. Private Rented Sector Incentive Budgets are used to enhance the support available to help hard to house group's access and maintain settled accommodation.

To ensure there is availability of hostel and supported accommodation it is vital that people who are ready for independent living are also able to move on, and due to lack of social housing this is likely to be within the private rented sector.

Engagement with private sector landlords is ongoing and the private rented sector team at housing options work with a cohort of landlords who accept the housing solutions package of financial assistance and support to help ensure tenancies are successful, more incentives are required to secure landlords as many see homeless clients as unsuitable and high risk.

To help encourage landlords to work with the schemes and consider people from the target groups a tailored package of support is offered with financial incentives including increased bond payments and rent in advance, the security of a guarantor and additional continued support to both the tenant (floating support) and the landlord (single point of contact from housing solutions team).

The additional funding requested this year will provide opportunities for more settled accommodation for a range of cohorts including single homeless people, young people and families.

**Community Involvement**

Cardiff will develop a co-ordinated programme of engagement and training opportunities to empower local people who want to volunteer and help end homelessness in Cardiff. Volunteers add a range of talents, skills and experiences into the mix, enriching and enhancing homelessness services. Good volunteering should also benefit the volunteer. It can be an opportunity to gain confidence, have fun, meet new people, build new skills and can be a stepping stone to future employment for both the client and volunteer.

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A new campaign called 'Real Change' was launched recently. As the city centre begins to exit lockdown, the campaign asks anyone with concerns about a person they see on the streets to not give spare change but instead text 'REALCHANGE' to 80800, giving the location of that person so help can be provided. The outreach teams will then respond and offer help and support directly to the person.

Considerable success has been achieved over the last three months, with only a handful of very entrenched rough sleepers remaining outside. Greater availability of accommodation and support, alongside support from partners has been a key factor in this change and we are committed to ensuring that this continues after the crisis is over. This work will be developed further this year with all our partners so a more co-ordinated approach is taken to the delivery of help for vulnerable homeless people.

### 3 Assess Impact on the Protected Characteristics

#### 3.1 Age

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
Up to 18 years	x		
18 - 65 years	x		
Over 65 years	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Support for will be enhanced and monitoring of the outcome of services will improve as a result of the proposals.

It is not anticipated that there will be any reduction in the number of clients supported, however the type of service provision is likely to change following the completion of the full needs assessment.

**What action(s) can you take to address the differential impact?**

Positive impact is expected, careful design and specification of services will ensure that services improve as a result of the proposals

#### 3.2 Disability

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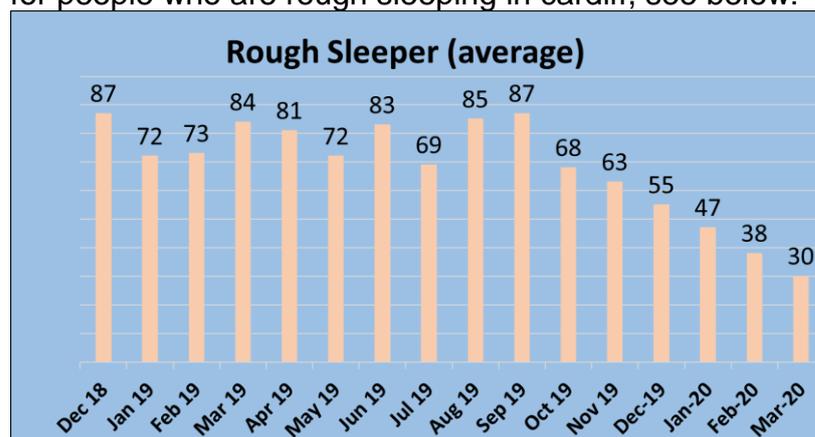
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Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment	<b>x</b>		
Physical Impairment	<b>x</b>		
Visual Impairment	<b>x</b>		
Learning Disability	<b>x</b>		
Long-Standing Illness or Health Condition	<b>x</b>		
Mental Health	<b>x</b>		
Substance Misuse	<b>x</b>		
Other			

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Substance Misuse and Mental Health are the most significant recorded issues for people who are rough sleeping in cardiff, see below:



Rough Sleeper - Lead Needs		
Substance misuse	Mental Health	Alcohol
<b>19</b>	<b>9</b>	<b>2</b>

Positive impacts are anticipated from the greater expertise expected under the new arrangements in helping those with substance misuse and mental health difficulties in particular. Accessible accommodation will also be a requirement of the new service.

**What action(s) can you take to address the differential impact?**

**This change in service will provide:**

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- Unprecedented opportunity to work with clients **Substance Misuse Services/Mental Health**
- Services are now being provided directly into the hotels, hostels and supported housing
- Substance Misuse Nurse and access to Rapid Prescribing services - 75 clients referred for services - 45 are in active treatment and this work continues
- Mental Health Social Worker and CPN part of the MDT
- Access to therapeutic interventions

Positive impact is expected, careful design and specification of services will ensure that services improve as a result of the proposals

**3.3 Gender Reassignment**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
<b>Transgender People</b> (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)			

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Currently services are provided to a very small number of clients annually identifying as transgender. It is anticipated that the new arrangements will make it easier to move individuals between schemes to ensure appropriate accommodation is provided for the most vulnerable people who experience homelessness.

Positive impact is expected, careful design and specification of services will ensure that services improve as a result of the proposals

**What action(s) can you take to address the differential impact?**

No negative impact anticipated, however careful monitoring and targeting of support will take place to ensure that no service users are unduly impacted by the change and that the most vulnerable are supported.

All services available will be expected to mainstream provision for clients with protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

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**3.4. Marriage and Civil Partnership**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Civil Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No negative impact is expected as part of the change. Positive impact is expected, careful design and specification of services will ensure that services improve as a result of the proposals

**What action(s) can you take to address the differential impact?**

No negative impact anticipated, however careful monitoring and targeting of support will take place to ensure that no groups are unduly impacted by the change.  
All services available will be expected to mainstream provision for clients with protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

**3.5 Pregnancy and Maternity**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

The change will have a positive impact. There will be better accommodation choices for Families including those that are pregnant

**What action(s) can you take to address the differential impact?**

All services available will be expected to mainstream provision for clients with

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protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

**3.6 Race**

Will this Policy/Strategy/Project//Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	<b>Yes</b>	<b>No</b>	<b>N/A</b>
White	x		
Mixed / Multiple Ethnic Groups	x		
Asian / Asian British	x		
Black / African / Caribbean / Black British	x		
Other Ethnic Groups	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

It is anticipated the impact will be positive due to improvements in services.

**What action(s) can you take to address the differential impact?**

No negative impact anticipated, however careful monitoring and targeting of support will take place to ensure that no groups are unduly impacted by the change and that the most vulnerable are supported

**3.7 Religion, Belief or Non-Belief**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Buddhist		X	
Christian		X	
Hindu		X	
Humanist		X	
Jewish		X	
Muslim		X	
Sikh		X	
Other		X	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact identified.

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<b>What action(s) can you take to address the differential impact?</b>
None anticipated, however careful monitoring and targeting of support will take place to ensure that no groups are unduly impacted by the change and that the most vulnerable are supported.
All services available will be expected to mainstream provision for clients with protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

**3.8 Sex**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men	X		
Women	X		

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
There will be positive impacts for both male and female clients as a result of the joined up services and clearer pathway. EG separate accommodation and specialist support for Women and Males identifying Domestic Violence issues.
<b>What action(s) can you take to address the differential impact?</b>
None anticipated, however careful monitoring and targeting of support will take place to ensure that no service users are unduly impacted by the change and that the most vulnerable are supported
All provision available will be expected to mainstream provision for clients with protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

**3.9 Sexual Orientation**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
Bisexual		X	
Gay Men		X	
Gay Women/Lesbians		X	
Heterosexual/Straight		X	

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<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
No impact identified. Positive impact is expected, careful design and specification of services will ensure that services improve as a result of the proposals  Eg. We will ensure there are bespoke offers of accommodation and support for those people who are vulnerable.
<b>What action(s) can you take to address the differential impact?</b>
None anticipated, however careful monitoring and targeting of support will take place to ensure that no service users are unduly impacted by the change and that the most vulnerable are supported  All provision available will be expected to mainstream provision for clients with protected characteristics, providing sensitive and appropriate services for all that need it. Provision for equality and diversity will be a key in the ongoing performance monitoring of service delivery.

**3.10 Socio-economic Duty**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the Socio-economic Duty?

	<b>Yes</b>	<b>No</b>	<b>N/A</b>
		X	

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
The overall aim of the proposals and changes in service provision is to deliver better outcomes for those who experience socio-economic disadvantage.
<b>What action(s) can you take to address the differential impact?</b>
This has been supported through ensuring the proposals take account of evidence and potential impact through consultation and engagement to help to reduce the inequalities associated with socio-economic disadvantage.

**3.11 Welsh Language**

Will this Policy/ Strategy/Project/Procedure/Service/Function have a **differential impact (positive/negative)** on the Welsh Language?

	<b>Yes</b>	<b>No</b>	<b>N/A</b>
		X	

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**Please give details/ consequences of the differential impact, and provide supporting evidence, if any.**

All Welsh language policies will be followed. Service users should be able to express a language preference upon first contact with services.

**What action(s) can you take to address the differential impact?**

The Welsh Language Act has been identified in terms of requirements as a minimum.

#### **4. Consultation and Engagement**

What arrangements have been made to consult/engage with the various Equalities Groups?

Consultation has been undertaken over the previous 2 year to provide an opportunity for partners and service users to influence the design of services and to help inform the type and quality of services to be offered.

Due to Covid 19 consultation opportunities have been limited with service users but will be embedded into service mobilisation and delivery to ensure clients from protected characteristic groups are provided with opportunities to influence service delivery.

#### **5. Summary of Actions [Listed in the Sections above]**

<b>Groups</b>	<b>Actions</b>
Age	Careful monitoring and targeting of support will take place to ensure that no service users are unduly impacted by the change and that the most vulnerable are supported.  All provision available will be expected to mainstream services for clients with protected characteristics, providing sensitive and appropriate services for all that need it.  Provision for equality and diversity will be a key in the
Disability	
Gender Reassignment	
Marriage & Civil Partnership	
Pregnancy & Maternity	
Race	
Religion/Belief	
Sex	
Sexual Orientation	
Socio-economic Duty	

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### Equality Impact Assessment Corporate Assessment Template

Welsh Language	ongoing performance monitoring of service delivery.
Generic Over-Arching [applicable to all the above groups]	

#### 6. Further Action

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

#### 7. Authorisation

The Template should be completed by the Lead Officer of the identified Policy/Strategy/Project/Function and approved by the appropriate Manager in each Service Area.

Completed By :Louise Bassett	Date:
Designation: Partnership Delivery Team Leader	7/7/2020
Approved By: Jane Thomas	
Designation: Assistant Director Housing and Communities	
Service Area: Housing and Communities	

7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council.

For further information or assistance, please contact the Citizen Focus Team on 029 2087 2536 / 3262 or email [equalityteam@cardiff.gov.uk](mailto:equalityteam@cardiff.gov.uk)

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**CYNGOR CAERDYDD  
CARDIFF COUNCIL**

**COVID-19 SCRUTINY PANEL**

**14 July 2020**

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**Budget Outturn 2019/20**

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**Purpose of the Report**

1. To provide Members with an opportunity to consider the final budget outturn position for 2019/20.

**Structure of the Papers**

2. The Cabinet report attached at **Appendix A** will be considered by Cabinet on 16 July 20220. It is for information and serves to complete the financial monitoring processes for 2019/20. It has the following appendices:

**Appendix 1** - Revenue 2019/20

**Appendix 2** - Directorate Variances

**Appendix 3** – Budget Savings 2019/20

**Appendix 4** - Housing Revenue Account 2019/20

**Appendix 5** - Capital Scheme Updates

**Appendix 6** - Capital Programme 2019/20

**Scope of the Scrutiny**

3. The Covid-19 Scrutiny Panel has a remit conferred by Council to deliver scrutiny of all reports to Cabinet in this time of emergency. The Council's Budget Outturn 2019/20 is of interest to all five scrutiny committees therefore, on behalf of all Scrutiny Members, the Panel will have an opportunity to reflect on the Council's financial position at the year ending March 2020. Members are invited to offer their observations to the Cabinet on the 2019/20 Outturn to inform its consideration of the Council's financial position. The five Scrutiny Chairs may also wish to use the information to inform their individual scrutiny committees' work programming for 2020/21.

## Background

4. The report attached at **Appendix A** is the final report of the 2019/20 budget year, informing Members of the Council's Revenue and Capital expenditures during the year.
5. For clarity, the figures contained within this report are largely unaffected by the Covid-19 crisis, however within certain directorates additional expenditure has been incurred, and losses of income experienced, some of which are recoverable via the Welsh Government Hardship Fund for local authorities.

## Overall Summary of financial position

6. The Council is delivering a balanced revenue position for 2019/20, reflecting the fact that it has maintained its spending within its overall net budget of £623.589 million in 2019/20, after contributions to and from earmarked reserves.
7. Within this balanced budget position two directorates are showing significant overspends. The overall directorate outturn position shows an overspend of £8.629 million, which includes overspends of £4.514 million in Social Services and £3.325 million in Planning, Transport & Environment. Overspends were also recorded in Education & Lifelong Learning and Governance & Legal Services, and have been partly offset by underspends within Housing & Communities and Performance & Partnerships directorates.
8. Overall there has been a net increase in school balances of £455,000.
9. The Council has spent £164.417 million on capital expenditure compared to a budget of £224.740 million, which primarily relates to the slippage of schemes into 2020/21.

## Revenue Summary

10. A full analysis of the Council's Revenue position can be found at **points 7-21 of Appendix A**. Members are also referred to **Appendix 2 to Appendix A** for a full explanation of the main variances against individual directorate revenue budgets, and how the position for each directorate has changed since the month 9 financial report to Cabinet.

11. The following table shows the variance against budget at outturn 2019/20 for each Council directorate. Where sums are within brackets in red the directorate has underspent on its budget. Where sums are in black the directorate, or service area, has overspent its budget.

<b>Directorate</b>	<b>Variance at Outturn 2019/20 £000</b>
Corporate Management	(47)
Economic Development	390
Education & Lifelong Learning	686
People & Communities	
- Communities & Housing	(729)
- Performance & Partnerships	(146)
- Social Services	4,514
Planning, Transport & Environment	3,325
Resources	
- Governance & Legal Services	643
- Resources	(7)

12. All directorates have been advised that it is of critical importance they demonstrate strict financial control in order to avoid future overspends wherever possible. The importance of this has been heightened even further in light of the ongoing COVID 19 crisis and associated financial challenges being experienced by the Council.

13. The position in respect of how each directorate performed in meeting its savings target for 2019/20 can be found at **Appendix 3 to Appendix A**. There has been an overall shortfall of £8.194 million against the £19.157 million directorate savings targets for 2019/20. The report states that the overall level of unachieved savings presents a significant challenge going forward, particularly given the requirement to achieve further savings in 2020/21 and in future years. However it also states that the overall level of unachieved savings carried forward into 2020/21 will be lower than the total shortfall recorded in 2019/20.

14. The following table shows how each directorate has performed against its 2019/20 savings target.

<b>Directorate</b>	Savings target 2019/20 £000	Savings achieved 2019/20 £000	Savings not achieved 2019/20 £000
Corporate Management	166	166	0
Economic Development	3,153	2,610	543
Education & Lifelong Learning	1,892	1,189	703
People & Communities			
Communities & Housing	868	868	0
Performance & Partnerships	506	506	0
Social Services	6,000	1,000	5,000
Planning, Transport & Environment	3,819	1,928	1,891
Resources			
- Governance & Legal Services	372	359	13
- Resources	2,381	2,337	44
<b>Total Savings</b>	<b>19,157</b>	<b>10,963</b>	<b>8,194</b>

15. There have been a number of transfers to earmarked reserves to support the Council's financial resilience. The report states that overall, excluding school balances and the HRA, the earmarked reserves held by the Council increased by £510,000 in 2019/20. This included contributions to the Employee Changes and Strategic Budget Reserves that will benefit the Council in the medium term and will serve to improve the Council's overall financial resilience. The Council Fund Balance at 31 March 2020 was £14.255 million. The Section 151 Officer considers the balance prudent given the unbudgeted risks that the Council faces in light of the ongoing COVID 19 crisis.

16. A surplus of £3.810 million has been reported in relation to Council Tax collection (**point 12**), representing a significant increase compared to the £121,000 surplus position projected at Month 9. The surplus is mainly due to a lower than budgeted contribution to the Council Tax Bad Debt Provision. The overall surplus represents a variance of less than 1.5% of the estimated gross debit. The Council's budget also includes an amount of £400,000 to support requests for discretionary rate relief. In 2019/20 this showed an overspend of £21,000, reflecting an increase in the level of demand for such relief.
17. The outturn report indicates that school balances currently stand at £5.317 million surplus, which is a total increase in balances of £455,000 compared to 2018/19. It notes that there are 18 schools in Cardiff with negative balances amounting to £1.539 million. This represents an increase compared to the 12 schools that were in deficit at the end of the 2018/19 financial year, although a number of these deficits are very small. It states the total level of deficit has decreased and the schools with more significant and longstanding deficits have financial recovery plans agreed with the Council. More detail on the schools position will be found at **points 14-17**.
18. The financial position in respect of Civil Parking Enforcement can be found at **point 22 -26 of Appendix A**. Total income generated from parking, parking enforcement and moving traffic offences was £14.487 million Total expenditure on operational costs and enforcement was £6.723 million. Any surplus is transferred to the Parking Reserve, full analysis of which will be found at **points 27-30**.
19. The Housing Revenue Account (HRA) is showing a balanced position and a full analysis can be found in **Appendix 4**. Where variances are in brackets they represent an underspend of actual compared with estimated spend.
20. Cardiff Harbour Authority's budget for 2019/20 represented a 3.3% reduction on 2018/19. The outturn position reflects an annual draw down of £5.276 million, resulting in a variance of £50,000. An explanation of the financial position can be found at **points 35-39**.

## **Capital Outturn 2019/20**

21. **Points 40 – 54** provide a full analysis of the Council's Capital Programme outturn for 2019/20. In summary the report highlights that £62.726 million of slippage into 2019/20 was incurred, including that in relation to public housing. This represents increased slippage in comparison to figures reported during the year. Directorates are regularly reminded of the need to set achievable profiles and identify slippage accurately at an early stage. Whilst unavoidable in some instances, the resources that need to be in place before a scheme can progress needs to be considered at an early stage.

22. For a detailed update on each of the ongoing capital schemes Members are guided to **Appendix 5**, where each directorate has reported progress. This is supported by **Appendix 6** setting out the financial detail of the Capital Programme, and provides a quick reference to slippage on each scheme. The total Capital Programme for 2019/20 was £224.740m. The spend at outturn was £164.417m, therefore total slippage across all projects was (£62.726m).

23. At the 31 March 2019 the Council's total external borrowing was £722 million. **Points 58-63** provide the detail, of interest may be the new external loans the Council has undertaken in 2019/20; Short term borrowing of £58.250 million to pay for expenditure on the acquisition of the Red Dragon Centre; Public Works Loan Board borrowing of £40 million, and a loan of £10 million received from Welsh Government for the proposed Housing SME fund of the Cardiff Capital Region City Deal.

## **Proposed Recommendations to Cabinet**

24. In considering this report the Cabinet is recommended to:

- Approve the report and the actions taken in respect of the Council's accounts for 2019/20.
- Note that this report will form an Appendix to the Financial Statements report to be considered at a Council meeting in the autumn of 2020

## **Way Forward**

25. Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance, Chris Lee, Corporate Director Resources, and Ian Allwood, Head of Finance will be in attendance to answer Members' questions.

## **Legal 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 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 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 of 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**

27. 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**

Panel Members are invited to consider the information presented in these papers and at the meeting, and refer any comments, observations, concerns or recommendations for consideration by the Cabinet prior to its meeting on 16 July 2020.

**DAVINA FIORE**

Director, Governance & Legal Services

10 July 2020

**OUTTURN 2019/20**

**FINANCE, MODERNISATION & PERFORMANCE (COUNCILLOR  
CHRIS WEAVER)**

**AGENDA ITEM: 4**

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**Reason for this Report**

1. This report serves to inform the Cabinet of the Council's financial position in respect of the year ending 31 March 2020.

**Background**

2. The report compares the outturn for the financial year ending 31 March 2020 with the budget for the year, for both revenue and capital expenditure. The report also provides a summary Treasury Management Statement in respect of investments and borrowing. All figures are subject to external audit.
3. It should be noted that since the finalisation of the outturn position, the financial impact arising from the Council's response to the COVID 19 crisis has emerged. The figures contained within this report are largely unaffected by the crisis, due to the full lockdown not being implemented until close to the end of the financial year. However, within certain directorates additional expenditure will have been incurred and losses of income experienced. Certain assumptions have been made regarding the extent to which these costs and income losses can be recovered via the Welsh Government Hardship Fund for local authorities and these assumptions are reflected within the figures and directorate positions reported, where relevant. Work is ongoing to establish the full financial impact of the crisis, both short and medium term, and this has, and will be, reported to Cabinet and Council via other reports.
4. A balanced revenue position for 2019/20 has been delivered, reflecting the fact that the Council has maintained its spending within its overall net budget of £623.589 million in 2019/20, after contributions to and from earmarked reserves. Favourable variances within the Summary Revenue Account (SRA), including additional grant income in relation to teachers' pensions and in-year savings against the Council Tax Reduction Scheme (CTRS) contingency budget, have offset a net directorate overspend and enabled contributions to be made to a number of reserves. These contributions to reserves will support the financial resilience of the Council in the medium

term and include allocations to the Strategic Budget Reserve and the Employee Changes Reserve.

5. During the year, the Council's monitoring process identified financial pressures in a number of directorates, most notably Social Services and Planning, Transport & Environment. This reflected a range of factors including increased demographic and cost pressures, shortfalls in income and the failure to fully achieve the savings targets set as part of the 2019/20 budget. This is reflected in the overall directorate outturn position which shows an overspend of £8.629 million, an increase of £489,000 compared to the monitoring position reported at Month 9. The overall position on directorate budgets includes overspends of £4.514 million in Social Services and £3.325 million in Planning, Transport & Environment. Overspends were also recorded in other directorates, such as Education & Lifelong Learning and Governance & Legal Services, although they were partly offset by underspends within Housing & Communities and Performance & Partnerships. The directorate overspends were also partially offset by the £3.000 million general contingency budget which was maintained as part of the 2019/20 budget in order to reflect the quantum, risk and planning status of the proposed savings in 2019/20. The overall position also includes an overspend of £21,000 on Discretionary Rate Relief. Both this, and the directorate overspends, were offset by savings in other areas including Council Tax collection, Capital Financing and the Summary Revenue Account.

## **Issues**

6. An overall summary of the position shows:
  - As set out in paragraph 4, a balanced position has been achieved in 2019/20, following transfers to earmarked reserves.
  - Overall, schools increased their individual reserves by £158,000 (net). In addition, the deficit position in respect of the Mutual Supply Fund, which offsets school balances, has reduced by £297,000 to £499,000. When this is taken into account, the overall net increase in school balances is £455,000.
  - The Housing Revenue Account (HRA) showed a balanced position. As a consequence, the balance on the HRA Revenue Balance remains unchanged and is available for spending on HRA related issues only.
  - The Council spent £164.417 million on capital expenditure compared to a budget of £224.740 million, which primarily relates to slippage of schemes in to 2020/21.

## **Revenue**

7. Appendix 1 shows the financial summary for the year, while Appendix 2 provides further details in respect of variations against budget by directorates.

8. The final position in relation to achievement against 2019/20 savings targets is set out in Appendix 3 to this report. This appendix reflects an overall shortfall of £8.194 million against the £19.157 million directorate savings targets for 2019/20. Compared to the position at Month 9, this represents an increased shortfall of £1.751 million against the 2019/20 savings targets. The shortfalls are reflected in the directorate monitoring positions, although, where possible, they have been offset by savings against other budget headings. The £3.0 million General Contingency Budget, which was allocated to reflect the risk and planning status of the proposed savings in 2019/20, also partly offsets these shortfalls.
9. The overall level of unachieved savings presents a significant challenge going forward, particularly given the requirement to achieve further savings in 2020/21 and in future years. Whilst some of these savings have been impacted by delays, and will therefore be achieved during 2020/21, there is a likelihood that some will remain unachievable. However, as part of the 2020/21 budget process, a number of significant budgetary realignments were implemented, with the aim of eradicating some structural budget challenges within particular directorates. Therefore, it is anticipated that whilst there will still be a requirement to deliver against some of these unachieved savings proposals, the overall level of unachieved savings carried forward into 2020/21 will be lower than the total shortfall recorded in 2019/20.
10. The Summary Revenue Account (SRA) consolidates the overall revenue position for the Council and includes various adjustments to the Council's accounts. These adjustments include the revenue impact of changes to the Council's bad debt provisions, the revenue effect of balance sheet adjustments and any prior year revenue items that have impacted on the overall revenue position of the Council. It also consolidates the final position in relation to contingency budgets and any adjustments, commitments and transfers to and from earmarked reserves and provisions arising from these. Favourable variances within the SRA, including previously reported items such as the release of £2.967 million of base budget following the receipt of additional grant funding in relation to teachers' pensions, have enabled a number of contributions to be made to earmarked reserves. These contributions will continue to support and enhance the financial resilience of the Council over the medium term.
11. The transfers to earmarked reserves, facilitated by the favourable SRA position, include £2.798 million to the Employee Changes Reserve to assist the Council in managing financial resilience and the impact of budgetary challenges over the medium term period, such as pay awards. In addition, £853,000 has been transferred to the Strategic Budget Reserve, again in conjunction with improving financial resilience going forward, particularly in light of the current COVID 19 crisis. Other notable contributions include £754,000 to the School Formula Funding Reserve, which was facilitated by the receipt of additional grant funding in relation to teachers' pay. Furthermore, £350,000 was transferred to the City Wide Management & Initiatives Reserve in connection with bus routes, reflecting a two-year commitment made in the 2019/20 budget. Contributions to provisions were also reflected in the SRA, the most significant of which was a contribution

of £681,000 to the Council's Bad Debt Provision. Other notable transactions within the SRA include a previously reported £586,000 VAT refund, in relation to a successful appeal for a cultural exemption in connection with Cardiff Castle. An overall underspend against insurance budgets, amounting to £780,000, is also reflected within the SRA.

12. In total, the redundancy costs incurred during the year amounted to £2.64 million. This included £1.106 million in respect of school-based staff, £184,000 which was funded via the Housing Revenue Account and £88,000 funded by grant income. In line with the Code of Practice on Local Authority Accounting, these figures include provision in the 2019/20 accounts for payments relating to redundancy costs that will be paid in 2020/21 as a result of budget savings agreed in 2019/20. In line with the planned funding model, £463,547 was transferred from the Employee Changes Reserve to the voluntary redundancy budget in order to fund the increased level of costs in 2019/20. This reserve is held in order to support staff costs associated with organisational change including the future impact of voluntary redundancy on the Council's budget. In addition, pension costs charged to the Council in respect of the Local Government Pension Scheme arising as a result of voluntary redundancy in 2019/20 totalled £1.981million. These will be initially funded via the Pension Fund and will be repaid to the fund over a five-year period.
13. A surplus of £3.810 million was reported in relation to Council Tax collection, representing a significant increase compared to the £121,000 surplus position projected at Month 9. The surplus is mainly due to a lower than budgeted contribution to the Council Tax Bad Debt Provision, as compared with the assumptions reflected in the Council Tax Base Report approved in December 2018. The reason for this variation is due to a change in approach to calculating the bad debt provision, to ensure that the calculation reflects anticipated collection rates. The overall surplus represents a variance of less than 1.5% of the estimated gross debit. The Council's budget also includes an amount of £400,000 to support requests for discretionary rate relief. In 2019/20 this showed an overspend of £21,000, reflecting an increase in the level of demand for such relief.
14. School balances currently stand at £5.317 million surplus, which is a total increase in balances of £455,000 compared to 2018/19. This overall balance contains a net deficit balance totalling £499,000 in relation to the Mutual Supply Fund (MSF). This figure represents the cumulative MSF liability incurred over a number of financial years, which has reduced further this year following the implementation of a second clawback against schools within the fund. This deficit balance has been offset against overall net school balances pending further recovery during 2020/21. Excluding the MSF liability from the net balances means that individual school balances total £5.816 million and have increased by £158,000.
15. The table below sets out the balances held by individual schools as at 31 March 2020 –

<b>2019/20</b>	<b>£m</b>	<b>% of Delegated Budget</b>
Primary	4.704	3.65
Secondary	0.607	0.55
Special	0.505	3.66
<b>Total – Individual Schools</b>	<b>5.816</b>	<b>2.30</b>

16. Despite the overall increase in the aggregate level of balances held, the individual school picture shows a mixed trend, with 58% of the schools across the phases reducing their balances and 42% increasing their balances. The number of primary schools holding balances in excess of the School Funding (Wales) Regulations guideline of £50,000 has reduced from 46 to 45, whilst seven secondary / special schools hold balances in excess of the recommended level of £100,000. During 2019/20, the Council directed a number of schools to spend their balances, where their school balance had exceeded local thresholds for at least three consecutive years. This action may partly explain the overall reduction in the level of balances. In addition, the Council directed a number of schools to use their balances in 2018/19 and will consider clawing back the remaining excess surplus during 2020/21, for those schools that still hold a balance in excess of locally agreed thresholds. Going forward, the Council will continue to review individual school balances that are in excess of the Welsh Government recommended limits, and locally agreed thresholds, and consider if there is a need for further directions to spend or to claim back any excess surplus.
17. It should be noted that there are 18 schools in Cardiff with negative balances amounting to £1.539 million. This represents an increase compared to the 12 schools that were in deficit at the end of the 2018/19 financial year, although a number of these deficits are very small. Also, the total level of deficit has decreased. The schools with more significant and longstanding deficits have financial recovery plans agreed with the Council. Of the total deficit figure, the majority relates to four schools in the secondary sector. However, some significant reductions in individual deficits were achieved in 2019/20 and work will continue in partnership with the individual school governing bodies to ensure that these deficits are managed downwards over a period of time.
18. In line with standard accounting practice, a number of budgeted and anticipated contributions to and from reserves have been reflected in the 2019/20 accounts. The overall position, excluding school balances and the Housing Revenue Account, reflects a net increase of £510,000. Significant net contributions to earmarked reserves include £4.725 million to the Treasury Management Reserve to assist the Council with strengthening financial resilience and mitigating risks in respect of capital expenditure and treasury management activities. Other significant net contributions include £2.239 million to the Employee Changes Reserves, which will assist with financial resilience over the medium term, and £1.532 million to the Red Dragon Centre Reserve, which will be held in line with the financial model for the indoor arena scheme. It should be noted that two new earmarked reserves were created during 2019/20. These were the aforementioned Treasury Management and Red Dragon Centre reserves.

19. Significant net drawdowns from reserves include £1.647 million from the Strategic Budget Reserve, which is primarily due to a budgeted contribution of £2.5 million, agreed as part of the Council's overall budget for 2019/20, offset by the £853,000 outlined in paragraph 11. Other significant net drawdowns include £1.301 million from the Cardiff Enterprise Zone Reserve, £1.073 million from the Welfare Reform Reserve and £732,000 from the School Organisation Plan Reserve.
20. Following transfers to earmarked reserves and provisions the revenue outturn shows a balanced position. The table below sets out the movement in the accounts that make up that figure.

	<b>£000</b>
Net service position – Deficit	8,629
Contingency	(3,000)
Capital Financing	(447)
Summary Revenue Account	(1,393)
Discretionary Relief	21
Council Tax collected in excess of budget	(3,810)
<b>Net Revenue outturn – Balanced Position</b>	<b>0</b>

21. A balanced position is reported in relation to the net revenue outturn for 2019/20 and, therefore, there is no consequential impact on the Council Fund Balance. The balance at 31 March 2020, therefore, remains in line with the previous financial year and stands at £14.255 million.
22. The Section 151 Officer has reviewed the Council Fund Balance and considers the balance prudent given the unbudgeted risks that the Council faces, however that position will be reviewed throughout 2020/21, in light of the COVID 19 crisis, and as part of the 2021/22 budget preparation. The financial risks facing the Council were set out in the 2020/21 Budget Report.

### **Civil Parking Enforcement**

23. Civil Parking Enforcement (CPE) manages parking, parking enforcement and moving traffic offences throughout the city. The income from these activities is used to support the operational costs and enforcement service. Any surplus or deficit is transferred to the Parking Reserve.
24. The following table provides a summary of the budget and outturn position.

<b>2018/19 Outturn £000</b>		<b>2019/20 Budget £000</b>	<b>2019/20 Outturn £000</b>	<b>2019/20 Variance £000</b>
5,059	On street car parking fees	5,266	5,024	(242)
1,088	Off street car parking fees	1,426	1,186	(240)
368	Residents parking permits	355	386	31
2,385	Penalty charge notices	2,300	2,229	(71)

5,039	Moving Traffic Offences (MTO's)	4,254	5,082	828
290	Camera Car	389	366	(23)
212	Traffic Enforcement Centre (TEC)	200	200	0
7	Other income	0	14	14
<b>14,448</b>	<b>Total Income</b>	<b>14,190</b>	<b>14,487</b>	<b>297</b>
913	TRO, operational costs, parking a/c	845	659	(186)
5,843	Enforcement service	6,118	6,064	(54)
<b>6,756</b>	<b>Total Expenditure</b>	<b>6,963</b>	<b>6,723</b>	<b>(240)</b>
<b>7,692</b>	<b>CPE Net Surplus/(Deficit)</b>	<b>7,227</b>	<b>7,764</b>	<b>537</b>

25. The position for 2019/20 showed a net trading surplus of £7.764 million. This was £537,000 above the original target reflecting significant increased income from Moving Traffic Offences (MTOs) following the introduction of further phases. Income from off-street car parking fees was lower due to a delay in introducing the proposed revised tariffs and stay limits in the district car parks and the wider impact of the February storms and, in particular, COVID-19 affected off-street parking fees.
26. Total income generated was £14.487 million. This included £5.024 million from on-street and £1.186 million from off-street parking fees with a further £386,000 from Residents Parking Permits. Enforcement generated £2.229 million from Penalty Charge Notices, £5.082 million from MTOs, £366,000 from the Camera Car and a further £200,000 from the successful recovery of unpaid fines by the Traffic Enforcement Centre (TEC). A further £14,000 was generated from various activities.
27. Total expenditure was £6.723 million and was £240,000 below budget. This reflected a reduction in the loan repayment in respect of set-up costs associated with the MTOs and the funding of replacement equipment repayments to preserve the balance in the Parking reserve.

### Parking Reserve

28. Section 55 of the Road Traffic Regulations Act 1984 governs the use of the reserve. This specifies that the surplus may be used to fund operational costs including subsidising the enforcement service, supporting public passenger transport services, transport planning and road safety, maintaining off-street car parks and highway and environmental maintenance and improvements.
29. The following table illustrates the movements in the Parking Reserve and the balance carried forward.

<b>2018/19 £000</b>		<b>2019/20 £000</b>
<b>701</b>	<b>Parking Reserve Opening Balance</b>	<b>1,491</b>
7,692	Contributions from CPE	7,764
<b>8,393</b>		<b>9,255</b>
	<b>Contributions to revenue:</b>	
5,085	Budgeted contribution	5,385
416	Active travel	719
344	Highway improvements	246
870	Additional drawdown to support schemes	300
163	Clean air and environmental improvements	444
24	Provision of public transport	46
<b>6,902</b>	<b>Total Contributions to revenue</b>	<b>7,140</b>
<b>1,491</b>	<b>Parking Reserve Balance</b>	<b>2,115</b>

30. When the 2018/19 trading surplus of £7.694 million is applied to the brought forward figure of £1.491 million the balance in the Parking Reserve is increased to £9.255 million. Eligible expenditure totalling £7.140 million was drawn down from the reserve leaving a balance of £2.115 million at the 31 March 2020.
31. The drawdown included a budgeted sum of £5.385 million to support a range of Council services including ongoing support and improvements to transport, parking, highways and environmental services. It also included regular funding of £719,000 for the promotion of Active Travel initiatives including assessment of the transportation impact on the Local Development Plan, providing bus corridor improvements and supporting increased cycling in the city. It funded highways improvements of £246,000, including residential parking and delivering sustainable access to schools. Further funding of £300,000 supported a range of highway and transport related schemes. Funding of £444,000 supported a range of clean air and environmental improvements as well as funding staff resources to address public spaces protection orders and developing the conversion to electric vehicles. A further £46,000 supported public transport improvements.

### **Housing Revenue Account**

32. The Housing Revenue Account (HRA) shows a balanced position; a £510,000 improvement on the position reported at Month 9, with movements across budget headings. The overall position as set out in Appendix 4 includes a number of variances.
33. A £390,000 underspend on capital charges is due to lower than budgeted capital financing costs. Some delays to the capital programme were experienced in the final weeks of the year as a result of COVID 19. The Housing Repairs Account shows an overspend position of £373,000, mainly in relation to void property repairs, offset by underspends on general responsive repairs. An unbudgeted contribution to the Housing Repairs and

Building Maintenance Services earmarked reserve of £384,000 is also included within the position.

34. Other variances within the HRA include a £172,000 overspend in relation to the contribution to the Bad Debt Provision based on end of years arrears and write-off levels and a £108,000 overspend in relation to support services. A £184,000 supplies and services underspend includes insurance and IT cost savings. Other general underspends include £97,000 on other premises costs, £51,000 on employee costs and £46,000 on transport costs.
35. A net surplus of £269,000 was also reported in relation to income. Whilst rent and service charges were £997,000 below budget, this deficit was offset by additional grant funding of £249,000 from the Supporting People Grant and £968,000 Affordable Housing Grant income above budget with a further £49,000 other additional income.

### Cardiff Harbour Authority

36. Welsh Government support for Cardiff Harbour Authority has been subject to three-year funding agreements, the last of which finished in March 2017. The Welsh Government advised that they would like an opportunity to review arrangements and wished to extend the previous business period by twelve months, up until 31<sup>st</sup> March 2018. Due to the delay in undertaking the review, single year budgets of £5.400 million for 2018/19 and £5.223 million for 2019/20 were agreed between the two parties. The budget for 2019/20 represented a reduction of £177,000 or 3.3% on 2018/19.
37. Due to a potential underspend on dredging, £260,000 of budget was moved in-year from fixed costs to asset renewal, as agreed with the Welsh Government in November 2019. Subsequently, as a result of damages incurred during Storm Dennis in February 2020, an additional asset renewal allocation of £102,500 was agreed for specific schemes.
38. The outturn position reflects an annual draw down of £5.276 million, resulting in a variance of £50,000.

<b>Budget Category</b>	<b>Budget £'000</b>	<b>Outturn £'000</b>	<b>Variance £'000</b>
Expenditure	5,811	5,703	(108)
Income	(993)	(906)	87
<b>Fixed Costs</b>	<b>4,818</b>	<b>4,797</b>	<b>(21)</b>
Asset Renewal	508	479	29
<b>Total</b>	<b>5,326</b>	<b>5,276</b>	<b>(50)</b>

39. The Fixed Cost budget showed an underspend of £21,000, which included reductions in facilities management costs and overheads, although these were offset by an increase on litter collection & waste disposal and a reduction in car parking income. The under spend of £29,000 against the Asset Renewal budget reflects partial completion of the lock panel works.

40. In accordance with the Agreement, any underspend against the Fixed Cost budget is to be shared equally between both organisations. However, it was agreed that, for 2019-20, the full underspend on fixed costs of £21,000 could be allocated to the Project & Contingency Fund, which is used to support projects and provides a contingency if the approved budget is exceeded. The Fund receives contributions from a combination of receipts from the sale and disposal of land and a share of past year underspends on the Fixed Cost budget. The balance at 1 April 2019 was £42,000 and this has increased by £21,000 as detailed above. This leaves a net balance at 31 March 2020 of £63,000 and this is line with the amendments to the Deed of Variation, as agreed in April 2019.

### Capital Outturn 2019/20

41. Expenditure of £164.417 million was incurred across a range of services with £41.521 million of this in relation to Public Housing (HRA).
42. The delivery of capital projects is complex and influenced by a number of external and internal factors. Whilst some slippage is unavoidable as a result of the receipt of external grants later in the year, directorates are regularly reminded of the need to set achievable expenditure profiles and to identify potential slippage of projects at an early stage.
43. The paragraphs below summarise the outturn position of the Capital Programme for both the General Fund and Public Housing, with further detail on schemes to be provided in Appendices 5 and 6.

### General Fund Expenditure and Funding

44. Expenditure was £122.896 million, with a variance of £54.459 million against the approved programme. This is represented by a net overspend of £2.403 together with slippage of £56.862 million. The main areas of slippage are highlighted in Appendix 5 and in many cases are due to the receipt of late external grant awards in 2019/20 displacing the Council's own funding which is to be used in later years. The main items of expenditure during the year are set out in the table below:

Schemes	Detail	£m
Community and Neighbourhood Regeneration	Disabled adaptation grants, allowing people to live independently in their homes; environmental improvements; community hubs; land for travellers site expansion; domestic abuse multi agency hub; and completion of a regeneration scheme for Maelfa Centre in Llanedeyrn.	8.9
Education & Lifelong Learning	Completion of the Band A Investment Programme and development of Band B; investment in the condition and suitability of school buildings; schemes for Welsh medium expansion; reducing infant class sizes and Schools ICT.	17.2
Highways & Transportation	Road and footpath reconstruction and resurfacing; public transport and road safety improvements; cycling strategy implementation and expansion of cycle hire and moving traffic offences schemes; investment in	16.4

Schemes	Detail	£m
	active travel and safe routes in communities; design works for city centre air quality measures.	
Leisure Facilities & Parks	Investment in leisure sites retained by the Council as well as sites operated by GLL; athletics track and parks play equipment replacement; Roath Park House refurbishment, Parc Cefn Onn and other infrastructure improvements.	2.7
Acquisition of Red Dragon Centre in Cardiff Bay	Purchase to support a business case for the development of a new arena for the city.	58.4
Solar Farm	Development of a solar farm at former landfill site	5.0
Capital Cardiff Region - City Deal	Grant from Cardiff Council towards development of a Housing Viability Gap Fund for the region.	5.0
Other	Modernising ICT to improve business process; harbour asset renewal; Waste Recycling and collection improvements; Thornhill Crematorium improvements; creation of new burial site; property asset renewal works including enhancement to former Virgin Active site at Ocean Park.	9.3
<b>Total</b>		<b>122.9</b>

45. The expenditure was funded from a number of sources as shown in the table below and included external grants and contributions, proceeds from the sale of assets and by borrowing. Borrowing and any associated interest costs must ultimately be repaid from the existing and future income of the Council.

General Fund - Funding Source for 2019/20 Capital Expenditure	Amount £000	Percentage of Funding (%)
WG General Capital Supported Borrowing	8,566	6.97
WG General Capital Grant	8,106	6.60
WG and other external grants	31,587	25.70
Additional Unsupported Borrowing	2,351	1.91
Invest to Save Unsupported Borrowing	67,124	54.62
Revenue & Reserves	735	0.60
Capital Receipts	3,163	2.57
External Contributions	1,264	1.03
<b>Total</b>	<b>122,896</b>	<b>100.00</b>

46. The Council received a base allocation of General Capital Funding from Welsh Government of £16.672 million in 2019/20. This was made up of capital financing support within the revenue budget settlement to undertake £8.566 million of supported borrowing and a cash grant of £8.106 million.
47. In addition to the above, the Council has undertaken unsupported borrowing which has to be fully met through the revenue budget in future years. In 2019/20, the Council used unsupported borrowing of £69.475 million to support General Fund expenditure. Of this, £2.351 million of borrowing was required to balance Capital Programme commitments and £67.124 million

was for 'Invest to Save' borrowing, repayable from Directorate revenue budgets. The latter includes 21<sup>st</sup> Century School building investment, the acquisition of the Red Dragon Centre as well as other schemes predicated on receiving income or making savings such installation of solar panels on the former Lamby Way landfill site. The timing and availability of external grants remained uncertain, with some approvals received late during the year, making long term planning difficult.

### General Fund Capital Receipts

48. The Capital Programme approved by Council in February 2018 set a target for non earmarked General Fund Capital receipts of £40 million after making a deduction for eligible revenue costs of disposal. £5.5 million was received in 2018/19 primarily from the disposal of the former Howard Gardens Bowling green site and an estimate of £3 million was assumed receivable when setting the budget for 2019/20. The cash receipts received during 2019/20 and available towards this target are shown in the following table:

	<b>£000</b>
<b>General Fund – Non Earmarked</b>	
8 Library Street	277
Cae Glas Retail Parade	322
Land adjacent to 26 Heol Urban	120
Other sales of land / release of covenants	293
<b>Total</b>	<b>1,012</b>

49. During the year, sites with a net value of £2.626 million were also appropriated to the Housing Revenue Account for the development of Council housing. This included land at Sanatorium Road and the sites of the former household waste recycling centre on Waungron Road, Star Centre, and Llanrumney High School, most of which have previously been committed towards specific capital projects. The planned appropriation of the Michaelston High School site was been delayed to 2020/21.
50. Of the appropriations in 2019/20, £375,000 is available in addition to the £1.012 million above towards the General Fund target. This is lower than £3 million assumed for this year, with timing of completion difficult to predict. This makes a total of £6.887 million received since 2018/19 against the overall receipts target set in 2018/19.
51. Other significant earmarked capital receipts received from the sale of land and buildings are in relation to investment property and currently proposed to be ring-fenced and used for reinvestment as part of the Investment Property Strategy approved by Cabinet.

	<b>£000</b>
<b>General Fund - Earmarked for Specific Capital Schemes</b>	
Land at Callaghan Square	3,047
3-4 Wharton Street	1,152
Boston Buildings	542
Unit 10 Lamby Way	240
Land north of Vere Street	96
<b>Total</b>	<b>5,077</b>

52. Updates on the property strategy, disposals and the plan to ensure the target for receipts is achieved, will be included in the Annual Property Plan for 2020/21 to be considered by Cabinet.

### **Public Housing (HRA) Expenditure and Funding**

53. Expenditure in 2019/20 on Public Housing schemes was £41.521 million. Investment was made in estate regeneration, housing stock remodelling, addressing high rise cladding, the fabric of dwellings, disabled adaptations and in the development of new Council Housing as well as acquisition of existing housing to meet new build targets.

54. The table below shows how capital expenditure was paid for:-

<b>Public Housing - Funding Source for 2019/20 Capital Expenditure</b>	<b>Amount £000</b>	<b>Percentage of Funding (%)</b>
Major Repairs Allowance (WG grant)	9,500	22.89
Additional Unsupported Borrowing	21,169	50.98
WG and other external grants	1,589	3.83
Revenue & Reserves	6,400	15.41
Capital Receipts	2,335	5.62
External Contributions	528	1.27
<b>Total</b>	<b>41,521</b>	<b>100.00</b>

### **Public Housing Capital Receipts**

55. Capital Receipts of £0.370 million were generated from the sale of Council dwellings still eligible under the now ceased Right to Buy scheme. A further £1.378 million has been generated from the sale of various freeholds, retained equity held from previous Council and developer home ownership support schemes as well as share of land sale proceeds from the Cardiff Living scheme.

### **Treasury Management**

56. The Council's Treasury Management activities were undertaken in accordance with the strategy approved at Council in February 2019. During the year, periodic reports on Treasury Management were submitted and reviewed by the Council's Audit Committee as well as at Cabinet and Council meetings.

### **Investments**

57. At 31 March 2020, investments arising from temporary cash balances stood at £127.6 million. The balance of investments is at a point in time and will fluctuate daily depending on the timing of receipts and payments in the Council's bank account e.g. payments to suppliers, receipt of grants and capital receipts. The organisations with whom the Council invests were set out in the Council's Investment Strategy for 2019/20 and where possible, investments were diversified across organisations.

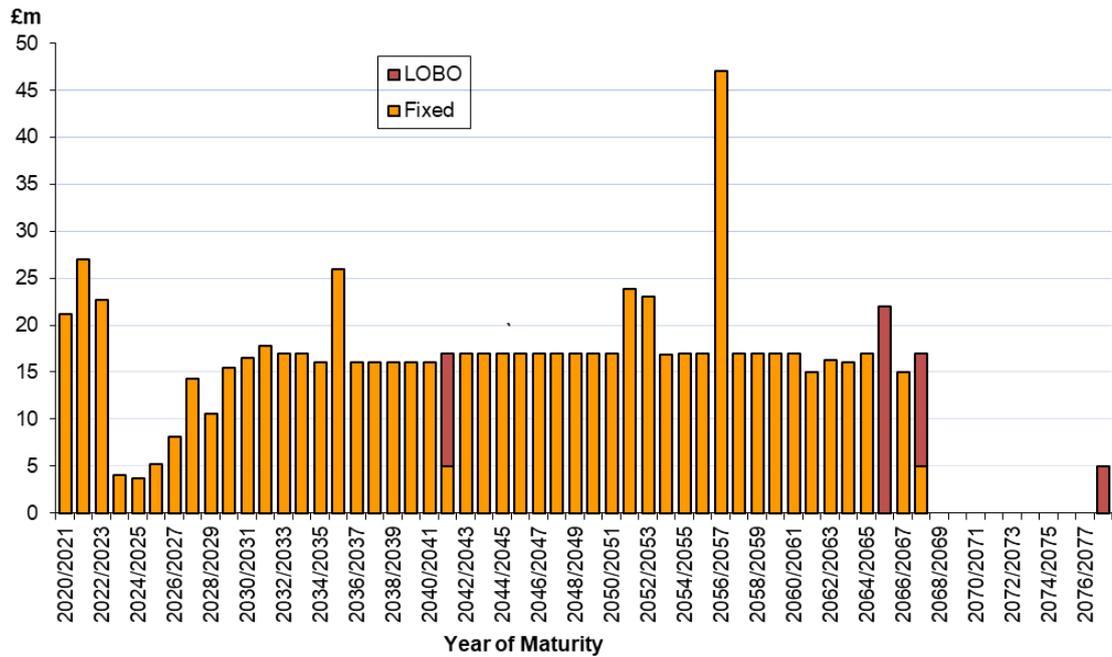
58. The overall level of interest receivable from treasury investments after allowing for interest on balances held on behalf of others totalled £725,000 with the average rate achieved for during 2019/20 being 0.85%, which compares favourably against the 7 day LIBID rate of 0.53% and the 3 Month LIBID rate of 0.63%.

### Borrowing

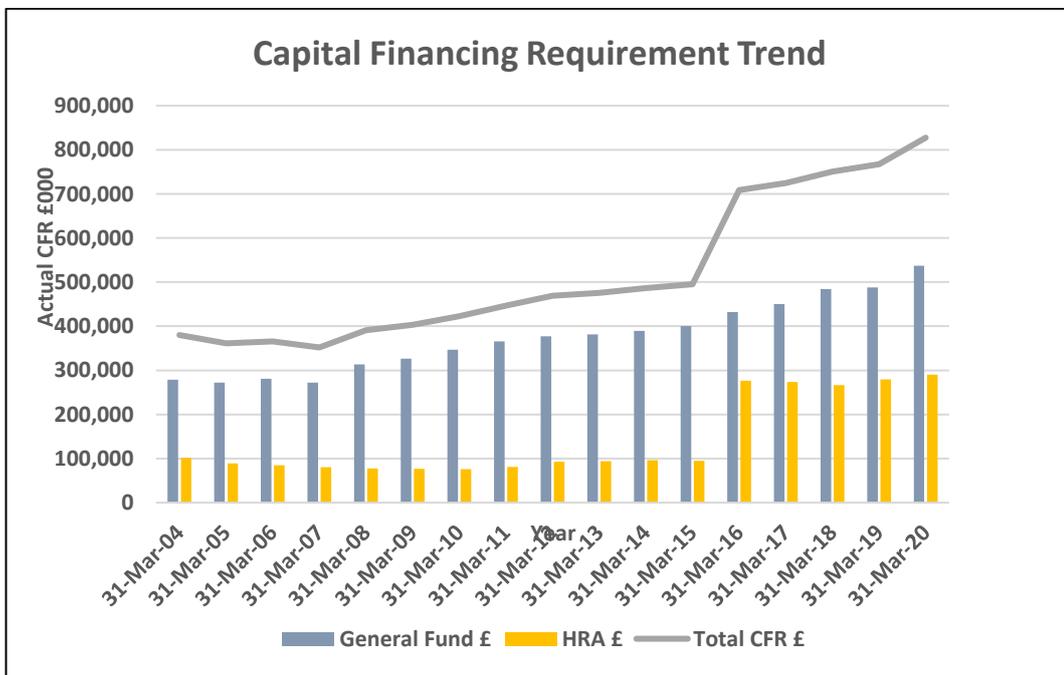
59. At the 31 March 2019 the Council's total external borrowing was £722 million. This was predominantly made up of fixed interest rate borrowing from the Public Works Loan Board (PWLB) payable on maturity.

31 March 2019			31 March 2020	
£m	Rate (%)		£m	Rate (%)
660.9		Public Works Loan Board	698.9	
51.0		Market (Lender Option Borrower Option)	51.0	
4.5		Welsh Government	16.1	
0.0		Local Authority	58.3	
5.5		Other	4.5	
<b>721.9</b>	<b>4.53</b>	<b>Total External Debt</b>	<b>828.8</b>	<b>4.11</b>

60. The average rate on the Council's borrowing reduced during the year, from 4.53% to 4.11% as a result of additional external borrowing during the year at a lower rate. Total interest payable was £32.769 million, of which £12.274 million was charged to the Housing Revenue Account (HRA). All borrowing is in the name of the Council and a single pool of debt is maintained rather than having separate loans for the HRA.
61. The maturity profile of borrowing at 31 March 2020 is shown in the following chart.



62. The Council's Capital Financing Requirement (CFR) i.e. capital expenditure incurred but not yet paid for is estimated £827 million at 31 March 2020, £537 million for the General Fund and £290 million for the Housing Revenue Account. The trend in the CFR since 2004 is shown in the following chart, with the increase in 2015/16 including the subsidy exit payment of £187 million made by the Housing Revenue Account.



63. Whilst borrowing rates remained higher than investment rates in 2019/20, the Council was internally borrowed which involves using temporary cash balances in the short term rather than undertaking external borrowing. In addition to the short term financial benefits, this reduced exposure to credit

risk. During 2019/20 the Council repaid £4.206 million of maturing loans. New external loans were undertaken as follows:

- Short term borrowing of £58.250 million to pay for expenditure on the acquisition of the Red Dragon Centre. Borrowing is generally not taken specifically for assets, but until a long term strategy is in place for this site, borrowing was undertaken to try and match known short term cash flows, where possible in this case over a one to three year period. Refinancing will need to be considered as certainty in respect of the site and linked arena proposals are developed
- PWLB borrowing of £40 million was undertaken during the year, with the Majority at the end of March. This was to reduce the internal borrowing requirement by locking into reduced long term rates given current uncertainty in financial markets; to strengthen liquidity of the Council particularly around concerns in relation to the COVID 19 position and also to utilise the recent reduction in PWLB rates towards HRA capital expenditure.
- A loan of £10 million received from Welsh Government for the proposed Housing SME fund of the Cardiff Capital Region City Deal. The Council in this case agreed to be the recipient of the repayable loan, subject to the development of final proposals for how the fund would operate and also the Council's liability would be mitigated. Subject to the outcome of this the Council retains the option to return this loan. A further £2.810 million of repayable Town Centre regeneration funding was also received in the year from Welsh Government.

64. Subject to audit, the outcome of the above transactions, coupled with the performance of expenditure during the year on capital programme, the Council's total external borrowing (£828 million) is in line with the borrowing requirement as defined by the Capital Refinancing Requirement (£827 million) at 31 March 2020.

### **Reasons for Recommendations**

65. The report is for information and serves to complete the financial monitoring processes for 2019/20.

### **Legal Implications**

66. The report is submitted for information as part of the Authority's financial monitoring process. The Council's constitution provides that it is a Council responsibility to set the budget and policy framework and to approve any changes thereto or departures there from. It is a Cabinet responsibility to receive financial forecasts including the medium term financial strategy and the monitoring of financial information and indicators.

### **Generic advice**

67. In considering the matters set out in this report regard should be had, amongst other things, to:

- (a) The Welsh Language (Wales) Measure 2011 and the Welsh Language Standards,
- (b) Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are : a. Age; b. Gender reassignment; c. Sex; d. Race – including ethnic or national origin, colour or nationality; e. Disability; f. Pregnancy and maternity; g. Marriage and civil partnership; h. Sexual orientation; i. Religion or belief – including lack of belief, and
- (c) The Well - Being of Future Generations (Wales) Act 2015

### **Well Being of Future Generations (Wales) Act 2015**

- 68. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
- 69. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well - being goals. The well - being objectives are set out in Cardiff's Corporate Plan 2019-22:<http://cmsprd.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Documents/Corporate%20Plan%202018-21.pdf>
- 70. When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how any proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
- 71. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
  - Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions

- Involve people from all sections of the community in the decisions which affect them
72. In regards to any decision going forward, the decision makers must be satisfied that any proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

## **Financial Implications**

73. The final revenue outturn position indicates that the Council has maintained its spending within its overall net budget of £623.589 million in 2019/20, with a balanced position reported after contributions to and from reserves. This is in line with the overall position reported at Month 9. However, contained within this balanced budget position are significant overspends for the Social Services and Planning, Transport & Environment directorates, in particular. Whilst a number of significant budgetary realignments were undertaken as part of the 2020/21 budget, with the aim of eradicating structural issues within certain directorate budgets, including historically unachieved savings targets, there remains a risk that overspends may emerge in 2020/21. It is, therefore, of critical importance that directorates demonstrate strict financial control in order to avoid future overspends wherever possible. The importance of this has heightened even further in light of the ongoing COVID 19 crisis and associated financial challenges being experienced by the Council.
74. Overall, excluding school balances and the HRA, the earmarked reserves held by the Council increased by £510,000 in 2019/20. This included contributions to the Employee Changes and Strategic Budget Reserves that will benefit the Council in the medium term and will serve to improve the Council's overall financial resilience. The Council Fund Balance at 31 March 2020 is £14.255 million. The Section 151 Officer has reviewed this and considers the balance prudent given the unbudgeted risks that the Council faces, albeit that position will be reviewed as part of the 2020/21 budget preparation and in light of the ongoing COVID 19 crisis.
75. The Capital Programme Outturn for 2019/20 highlights that £62.726 million of slippage into 2019/20 was incurred, including that in relation to public housing. This represents increased slippage in comparison to figures reported during the year. Directorates are regularly reminded of the need to set achievable profiles and identify slippage accurately at an early stage. Whilst unavoidable in some instances, the resources that need to be in place before a scheme can progress needs to be considered at an early stage.
76. General Fund Capital expenditure in 2019/20 required £69.475 million of unsupported borrowing, of which £67.124 million related to funding required to be repaid by savings against revenue budgets or income generation. As highlighted regularly in a variety of reports, consideration needs to be given to the medium and long-term impact of additional borrowing on the Council's

revenue budget. Accordingly, local affordability and other indicators will be continually reviewed and monitored to ensure investment is prioritised and the impact of increased levels of debt is sustainable and affordable.

## RECOMMENDATIONS

The Cabinet is recommended to:

- (1) Approve the report and the actions taken in respect of the Council's accounts for 2019/20.
- (2) Note that this report will form an Appendix to the Financial Statements report to be considered at a Council meeting in the autumn of 2020.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTOPHER LEE</b>
	Corporate Director Resources
	<b>10 July 2020</b>

The following Appendices are attached:

- Appendix 1 - Revenue 2019/20
- Appendix 2 - Directorate Variances
- Appendix 3 - Budget Savings 2019/20
- Appendix 4 - Housing Revenue Account 2019/20
- Appendix 5 - Capital Scheme Updates
- Appendix 6 - Capital Programme 2019/20

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## Appendix 1

**REVENUE OUTTURN POSITION 2019/2020**

Directorate	CASH LIMIT BUDGETS			FINAL OUTTURN			VARIANCES		
	Expenditure £000	Income £000	Net £000	Expenditure £000	Income £000	Net £000	Expenditure £000	Income £000	Net £000
Corporate Management	26,438	(101)	26,337	26,403	(113)	26,290	(35)	(12)	(47)
Economic Development	45,325	(41,290)	4,035	50,436	(46,011)	4,425	5,111	(4,721)	390
Education & Lifelong Learning	333,512	(61,386)	272,126	362,597	(89,785)	272,812	29,085	(28,399)	686
People & Communities									
- Communities & Housing	246,003	(200,858)	45,145	228,470	(184,054)	44,416	(17,533)	16,804	(729)
- Performance & Partnerships	8,100	(5,338)	2,762	8,169	(5,553)	2,616	69	(215)	(146)
- Social Services	200,152	(27,425)	172,727	206,790	(29,549)	177,241	6,638	(2,124)	4,514
Planning, Transport & Environment	101,614	(63,912)	37,702	105,394	(64,367)	41,027	3,780	(455)	3,325
Resources									
- Governance & Legal Services	6,673	(1,180)	5,493	8,812	(2,676)	6,136	2,139	(1,496)	643
- Resources	31,535	(14,873)	16,662	32,261	(15,606)	16,655	726	(733)	(7)
Capital Financing	40,026	(4,790)	35,236	40,403	(5,614)	34,789	377	(824)	(447)
General Contingency	3,000	0	3,000	0	0	0	(3,000)	0	(3,000)
Summary Revenue Account	2,892	(928)	1,964	2,647	(2,076)	571	(245)	(1,148)	(1,393)
Discretionary Rate Relief	400	0	400	421	0	421	21	0	21
<b>Sub-Total</b>	<b>1,045,670</b>	<b>(422,081)</b>	<b>623,589</b>	<b>1,072,803</b>	<b>(445,404)</b>	<b>627,399</b>	<b>27,133</b>	<b>(23,323)</b>	<b>3,810</b>
Council Tax Collection	0	0	0	0	(3,810)	(3,810)	0	(3,810)	(3,810)
<b>Total</b>	<b>1,045,670</b>	<b>(422,081)</b>	<b>623,589</b>	<b>1,072,803</b>	<b>(449,214)</b>	<b>623,589</b>	<b>27,133</b>	<b>(27,133)</b>	<b>0</b>

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The main variances against directorate revenue budgets were as follows:

**Capital Financing (£447,000)****(£469,000) Month 9**

1. The capital financing budget supports the Council's Capital Programme and treasury management activities. This includes external interest payable, prudent provision for the repayment of any debt in line with current Council policy, as well as interest earned on temporary investments. The budget is impacted by a number of external and internal variables such as interest rates, the level of investment balances, share of interest chargeable to the Housing Revenue Account, the need and timing of external borrowing, as well as performance in achieving capital expenditure projections. Following a review of all these factors, the final position for the year was a net surplus of £447,000, which represented a slight reduction compared to Month 9. This underspend was the result of £111,000 lower external interest payable than originally assumed and an additional £466,000 in relation to interest receivable, including for temporary investment balances as well as other changes.
2. Included within the position was additional expenditure of £130,000 relating to the prudent provision for the repayment of debt chargeable. This arose due to the fact that the final capital outturn, for the previous year, was not known when setting the budget and this had a direct impact upon the level of repayment required in the following financial year. Within the same budget heading was reduced expenditure totalling £4.725 million, which was the result of Council, in February 2020, approving a change in the Minimum Revenue Provision Policy. This amount was negated within the outturn position by a transfer to the Treasury Management Reserve, for use in strengthening financial resilience and mitigating risks in respect of capital expenditure and treasury management activities.

**Corporate Management (£47,000)****(£70,000) Month 9**

3. An underspend of £47,000 was reported in relation to Corporate Management, reflecting a reduction compared to the position reported at Month 9. The overall underspend was primarily due to savings in relation to past service pension contributions and insurance commission, partly offset by additional costs relating to bank charges, credit card commission and audit fees. All 2019/20 savings proposals were achieved in full.

**Economic Development +£390,000****+£513,000 Month 9**

4. The final position for the directorate reflected an overspend of £390,000, which represented an improvement on the overspend position reported at Month 9. This change related to various positive and negative changes, but particularly an improvement in Facilities Management, due to additional income within Building Services. The main variances within the overall

position included overspends within Facilities Management, Culture, Venues & Events and Youth Foods, partly offset by underspends within Business, Investment & Workshops and Parks. In terms of 2019/20 savings proposals, £2.610 million was achieved against the £3.153 million target. The shortfall of £543,000 predominantly related to the proposal to secure a private tenant for the New Theatre, where the impact of COVID 19 meant that it was not possible to conclude this before the end of the financial year. This particular saving shortfall came to £404,000, with a further £122,000 not achieved in relation to the proposal to rationalise staff and generate more income at Cardiff Castle.

5. The overspend within Facilities Management totalled £335,000. This overspend was largely due to additional expenditure in relation to FM Buildings which primarily related to utility costs, security costs, cleaning and unachieved energy savings from prior years. The tight control of expenditure in relation to repairs and maintenance partly offset these overspends. Other overspends within the division included Building Support, due to unbudgeted employee costs, additional licensing costs, income shortfalls and additional supplies and services costs. The Pest Control function also recorded an overspend, largely due to a shortfall in income generation. Partly offsetting these overspends, was an overall surplus in relation to the Building Services trading account, due to better than anticipated income levels and savings in overhead costs. In addition, there was a surplus against the Accommodation Account, which was the result of rental income within core buildings from externally funded occupiers, and additional income generated from cleaning, security and caretaking.
6. In addition to the Facilities Management overspend, there was a £263,000 deficit in relation to Culture, Venues & Events. The position changed significantly at outturn, compared to previously reported positions, for various reasons, including the impacts of COVID 19 towards the end of the financial year. This resulted in reduced income generation in relation to venues and functions, in particular. However, despite the aforementioned savings shortfall against the New Theatre, this venue, along with St David's Hall, reported an overall improvement and delivered a net surplus. This was due to an overall trading surplus on performance and activities at both venues, as well as additional income generation relating to St David's Hall bar. Although these trading activities delivered a surplus, the position for Venues reflected a loss, where income generation was below target, partly due to the enforced closure of certain venues, such as Cardiff Castle, during March. Overspends also occurred in relation to Commercial Activities and Tourism, although an element of mitigation was achieved by virtue of there being an underspend against the Events budget, due to staff vacancies and income above target. The Leisure, Play & Sport division also recorded an overspend, of £44,000, for similar reasons, where venues were closed during March and income generation decreased as a result of this.
7. Other overspends within the directorate included £68,000 against Major Projects, due to additional premises costs associated with the International Sports Village and other project-related costs, and City Centre Management, where a £74,000 overspend was recorded. This overspend was due to an income shortfall in relation to city centre infrastructure and an overspend in

relation to Christmas lights. Youth Foods, County Hall Functions & Events also reported an overspend, totalling £137,000, largely due to income shortfalls within the Youth Foods operation. Underspends within the directorate, which partly offset these overspends, included £304,000 in relation to Business, Investment & Workshops, where additional workshops rental income, vacancy savings, supplies and services savings, and additional bus shelter advertising income were achieved. An underspend of £176,000 was also achieved against the Parks budget, due to increased recharge income, reduced support service costs, in-year staffing savings and additional grounds maintenance income. The Property & Office Rationalisation division achieved an overall underspend of £35,000, due largely to a saving against the Office Rationalisation budget, in-year staffing savings and additional internal recharge income. This was partly offset by additional costs relating to certain premises and an overspend against the budget for disposal costs. Other divisions reported minor variances and Construction & Design achieved a balanced position.

### **Education & Lifelong Learning +£686,000**

**+£493,000 Month 9**

8. The final position for Education & Lifelong Learning reflected an overspend of £686,000, which represented an increase of £193,000 on the figure reported at Month 9. The change between months was due to a significant deterioration in the financial performance of the traded services within the directorate, particularly School Catering. This deterioration was partly offset by reduced expenditure in relation to Out of Area Placements and the introduction of an underspend against capital financing budgets. The overall overspend was due to a projected overspend against the budget for Out of Area Placements, coupled with additional School Transport expenditure, non-achievement of savings proposals and deficit positions against the traded services within the Services to Schools division. Partly offsetting these overspends were various staffing vacancies across the directorate, in-year savings against capital financing budgets and managed underspends in relation to centrally-held school maintenance budgets. In terms of 2019/20 savings proposals, a shortfall totalling £703,000 was identified. This related to the service-wide staffing restructure, School Transport savings and the proposal to generate income through the provision of additional learning needs (ALN) training.
9. The largest overspend in the directorate totalled £880,000 and related to the Services to Schools division. This overspend was a combination of savings shortfalls and deficits against the School Catering, Music Service and Outdoor Pursuits Centre trading accounts. The School Catering deficit amounted to £432,000 and was due to reduced income generation and some significant deficits in individual school settings, as well as additional employee and system implementation costs. The total deficit for the Music Service was £199,000 and was again due to a significant income shortfall, despite the receipt of unbudgeted grant income via the WLGA. The Outdoor Pursuits Centre deficit totalled £54,000 and was also due to an income shortfall following the loss of a key client during the year. The overall overspend for this division included the cost of successful school transport appeals, although an in-year saving against ICT budgets helped to offset this.

10. The other significant overspends within the directorate related to Out of Area Placements and School Transport, where overspends of £471,000 and £209,000 were recorded, respectively. Although the overspend against the Out of Area Placement budget decreased compared to the Month 9 figure, a number of new additional placements were agreed towards the end of the year, of which the full year effect will impact upon the 2020/21 budget monitoring position. Although the overspend specifically against the School Transport budget was £209,000, there was significant additional transport expenditure across the directorate. The majority of this expenditure related to additional transport provision beyond the scope of the policy, the aforementioned costs associated with successful transport appeals, additional routes for pupils with ALN and unachieved savings proposals.
11. Partly offsetting the overspends outlined in the previous paragraphs were underspends of £575,000 against the School Organisational Plan (SOP) budget and £357,000 against the Achievement budget. The SOP underspend was the result of an in-year saving against capital financing budgets connected with the School Asset Renewal Programme and managed underspends against the revenue funded budget for school repairs. The Achievement underspend was the product of vacancy savings across the division, additional fixed penalty notice income and a reduced requirement for non-maintained nursery provision. Other variances included an overspend of £73,000 against Non-Delegated School budgets, which was due to additional transport and premises costs, partly offset by in-year savings against capital financing budgets held in connection with the repayment of invest to save schemes. The Senior Management budget recorded an underspend of £46,000, which largely related to the Assistant Director post, which was vacant for a proportion of the year. Other divisions reported smaller variances or balanced positions, including EOTAS, where additional grant funding offset the underachievement of one to one tuition income.

## **People & Communities**

### **Housing & Communities (£729,000)**

**(£469,000) Month 9**

12. An underspend of £729,000 was reported for the Housing & Communities directorate, representing an improvement of £260,000 on the position reported at Month 9. This improvement was largely the result additional grant funding and staffing vacancies within the Independent Living Service. Overall, a number of divisions reported underspends, including Homelessness & Hostels and the Independent Living Service, partly offset by an overspend within Advice & Benefits. All savings proposals for 2019/20 were achieved in full. This included full achievement of two proposals each totalling £250,000, in relation to the delivery of community wellbeing hubs and a realignment of funding for homelessness service delivery.
13. The most significant variance was an underspend of £493,000 in relation to Homelessness & Hostels. This underspend was largely the result of in-year employee savings, particularly in relation to the Housing Options Centre,

where recruitment to the new structure was delayed. The overall underspend was supported by in-year grant allocations from a number of sources and utility savings. In addition, the Independent Living Service recorded an underspend of £257,000, primarily because of in-year employee savings. In previous years there were savings arising from increased capital allocations within the Joint Equipment Service, however the savings that did arise during 2019/20 were required to offset overspends within the pooled budget account. Other underspends included £80,000 against Hubs & Community Services, which was the result of additional grant income and supplies and services underspends across the division, partly offset by income shortfalls in relation to hubs. The Partnership & Delivery division recorded an underspend of £70,000, due to additional grant income, and Housing Strategy & Service Development achieved an underspend of £42,000 following in-year employee savings.

14. Overspends within the directorate included £39,000 within Business, Performance & Support, mainly due to the non-achievement of a prior year savings target, in relation to commercialisation, and records management storage charges, partly offset by employee savings. An overspend of £171,000 was reported within Advice & Benefits and was largely due to a deficit in relation to Cardiff Works, which emerged towards the end of the year. This deficit was due to a significant decrease in income in the latter part of the year and increased salary costs. Within this division, the Central Advice Hub also recorded an overspend, due to increased facilities management costs and income shortfalls. All other divisions reported minor underspends or balanced positions. Included within the overall position was a drawdown of £798,000 from the specific contingency budget set aside to meet increased costs in relation to the Council Tax Reduction Scheme. This reflected a reduction of £137,000 on the figure reported at Month 9, in line with the number of applications received and level of support required.

**Performance & Partnerships (£146,000)**

**Balanced Month 9**

15. The Performance & Partnerships division recorded a final underspend of £146,000, compared with the balanced position reported at Month 9. The change in position is largely explained by improvements within Media & Communications, Policy & Partnerships and Bilingual Cardiff. The main variances included within the position were underspends in relation to Cabinet Office & Performance Management, Media & Communications and Policy & Partnerships, partly offset by an overspend in relation to Bilingual Cardiff. The main underspends, which totalled £58,000, £93,000 and £35,000, respectively, were due to in-year employee savings and additional income. The Bilingual Cardiff overspend, which totalled £35,000, was due to the cost of external translation, although expenditure on this decreased significantly between Month 9 and the end of the year. The other divisions recorded largely offsetting variances and all 2019/20 savings proposals were achieved in full.

**Social Services +£4,514,000**

**+£4,984,000 Month 9**

16. The final position for the directorate reflected an overspend of £4.514 million, which represented an improvement of £470,000 on the position reported at Month 9. This change reflected the utilisation of additional grant funding within Adult Services, some of which related to winter pressures, although this was partly offset by additional residential placement costs for children. The overall position was comprised of an overspend totalling £4.517 million in relation to Children's Services and a £3,000 underspend in relation to Adult Services. Savings proposals of £6.0 million were included in Social Services budgets for 2019/20, most of which were predicated on a reduction in activity levels. However, the pattern of activity for the year reflected the fact that numbers either stabilised or, in some cases, increased. As a consequence, an overall shortfall of £5.0 million was reported against these savings targets, contributing largely to the overall position. Also of significance was the fact that a disproportionate element of the growth in respect of Children's Services was in high cost residential placements, leading to a further increase in costs. A significant overspend was therefore recorded even after taking into account the drawdown of the £2.0 million contingency for additional placements, agreed as part of the 2019/20 budget process. Further detail on the individual positions for both services are provided in the paragraphs that follow.

Adult Services – (£3,000)

+£725,000 Month 9

17. The final position for the Adult Services division reflected an underspend of £3,000, in contrast to the position reported earlier in the year. This was largely due to the utilisation of additional grant funding towards the end of the year. This grant enabled the significant overspend on Older People Commissioned Services to be partly offset. This particular service still reported an overspend of £2.333 million, mainly arising from savings shortfalls where proposals predicated on reducing numbers were not achieved. It was anticipated that savings proposals in relation to reablement, encouraging independence and cost effective commissioning would facilitate sustainable reductions in activity levels and costs. However, with activity levels increasing or remaining static, costs did not reduce by a level sufficient to meet the savings targets. As an exemplification of this challenge, the activity levels for domiciliary care increased by approximately 4.0%, rather than reduced. This, coupled with ongoing increases in unit costs in domiciliary and nursing care, meant that expenditure levels were significantly in excess of the approved budgets. The overspend within this area was partly mitigated by various underspends in other areas, notably on staffing budgets, where staff turnover and offsetting grant funding provided significant savings.
18. Aside from Older People Commissioned Services, the other commissioned services achieved underspends. In Learning Disabilities, an underspend of £162,000 was reported as a result of a reduction in the number of care home placements and a shift from domiciliary care to direct payments during 2018. An underspend, of £345,000, was also reported in relation to Mental Health Services, as a result of the continuing trend for reductions in the number of residential placements and, in line with previous years, an underspend on budgets allocated to the service for additional commitments in relation to Deprivation of Liberty Safeguards (DOLs). An underspend of £40,000 was evident in relation to budgets for Physical Disabilities, which is a reflection of

activity levels remaining relatively stable or declining in the case of residential care.

19. Internal Services reported a net underspend of £1.789 million. This is mainly due to anticipated savings of £1.140 million in Assessment & Care Management and £742,000 in Day Care & Reablement Services. In both services, there were significant staffing savings evident, as a result of high turnover, but also the utilisation of grant funding to offset staff costs in a range of areas. In addition, Internal Support & Management underspent by £26,000, again as a result of staff savings and the utilisation of grant funding. There was a partly offsetting overspend of £119,000 in relation to Internal Learning Disability Support Living & Day Care, where additional staff costs meant that historic savings targets remained unachieved.

Children's Services +£4,517,000

+£4,259,000 Month 9

20. The Children's Services division reported a final overspend of £4.517 million, after taking into account the drawdown of the £2.0 million specific contingency budget set aside to meet increased costs in relation to placements for looked after children. The ongoing pressure in relation to external placements for looked after children continued to underpin the overspend in this area, with a significantly higher proportion of expensive residential placements evident in 2019/20. This was after allowing for the significant growth, including a realignment, of £6.696 million allocated to the service as part of the 2019/20 budget.
21. The final overspend in relation to external placements totalled £3.395 million and was evidenced by the number of looked after children increasing from 886 in December 2018 to 954 at the end of March 2020, representing a 7.7% increase. Included within this was a significant, disproportionate, increase (37%) in the number of high cost residential placements, where an additional 22 placements led to a £3.6 million expenditure increase. Placement budgets were reduced as part of the 2019/20 savings proposals and this compounded the issue. External fostering budgets were also reduced to reflect savings proposals and, although numbers reduced slightly, an overspend was evident. Internal Adoption & Fostering also reported an overspend, totalling £651,000, again reflecting the growth in looked after children, with the number of internal fostering and kinship placements higher than the 2018/19 average. Adoption fees also continued to significantly increase, again placing additional pressure upon the budget.
22. The other main expenditure pressure incurred within the division was in relation to the cost of agency staff. This particularly impacted the Localities and Intake & Assessment divisions, where overspends totalling £658,000 and £911,000 were reported, respectively. The level of agency cost incurred was significantly higher than in previous years, although this has been addressed as part of the 2020/21 budgetary realignment. The most significant underspend within the directorate related to Restorative & Leaving Care, where a total underspend of £1.026 million was recorded. This was mainly due to in-year staffing savings and the impact of the utilisation of additional grant income. An in-year saving of £224,000 was also evident in relation to guardianship orders, however this was offset by an overspend of

£225,000 against the budgets for Management, Support, Safeguarding & Youth Offending, mainly due to additional agency costs.

**Planning, Transport & Environment +£3,325,000**

**+£2,435,000 Month 9**

23. The final position for the directorate reflected an overspend totalling £3.325 million, representing an increase of £890,000 compared to the position reported at Month 9. This change was caused by increased overspends within a number of divisions, most notably Recycling & Neighbourhood Services, where additional agency costs, Materials Recycling Facility (MRF) operational costs and reduced environmental enforcement income were experienced. As well as this, income reduced in Planning & Building Control, due to delays in major planning applications being received, and Bereavement & Registration, where the number of ceremonies that took place during the final quarter was lower than in comparison to previous years. The overall position was largely the result of a significant overspend in relation to Recycling & Neighbourhood Services, although other large overspends were incurred in relation to Fleet Services, Planning & Building Control, Energy Management and Bereavement & Registration. Some mitigation was achieved through underspends within Transport Planning, Policy & Strategy and Highways Infrastructure. Other divisions reported smaller variances or balanced positions. The final position in terms of savings achievement was an overall shortfall of £1.891 million, with significant shortfalls being experienced in Recycling & Neighbourhood Services and Fleet Services. These unachieved proposals were aimed at rationalisation of costs and the generation of additional income within these services.
24. The final overspend within the Recycling & Neighbourhood Services division totalled £2.117 million and reflected a number of significant pressures and the aforementioned savings shortfalls, which totalled £544,000. These pressures were partly offset by contributions from earmarked reserves and the £350,000 MRF contingency, as originally reported at Month 4. These contributions funded the increased costs of processing waste and recycling material. Significant pressures included income shortfalls and additional operating costs within Trade Waste Collections, Domestic Collections and the MRF. As well as these overspends, there were income shortfalls in relation to the Waste Transfer Stations, Environment Enforcement and landfill gas royalties. These pressures were partly mitigated by a saving against the overall treatment of waste, funding provided for planned ward changes and the bottles and jars rollout for collections, which are being reviewed.
25. Other overspends across the directorate included an adverse variance of £711,000 in relation to Fleet Services. This overspend was mainly the result of significant savings shortfalls, relating to both the current financial year and previous years, coupled with a shortfall against income targets. Some mitigations were evident and assisted with preventing the overspend from increasing further. These mitigations included the re-profiling of a loan repayment schedule and the use of earmarked reserves. The Energy Management division also reported an overspend, of £345,000, which was because of a shortfall in income generated at Radyr Weir. Contributing

factors included operational issues, partly as a result of the February storms, a shortfall in renewable energy income and an unachieved staff recharge saving. The Planning & Building Control overspend totalled £389,000 and was due to planning income shortfalls, which were exacerbated by the aforementioned delay in receiving several major applications. The Bereavement & Registration Services overspend came to £197,000, for the reasons already given, although this was partly offset by a surplus against Registration Services. The Shared Regulatory Service also recorded an overspend, of £42,000, due to a licensing income shortfall and the requirement to contribute towards increased operating costs.

26. The most significant underspend within the directorate, which totalled £317,000, related to Transport, Planning, Policy & Strategy. This was the result of increased income in the Design & Delivery service and the use of earmarked reserves to offset unachieved staff restructuring savings and income shortfalls. The underspend in Highways was £197,000 and comprised savings on street lighting energy, a range of expenditure reducing measures and lower staff costs, as well as the use of earmarked reserves. Partly offsetting these savings were reduced cost recovery from SWTRA, lower income from SUD's and vehicle clamping, unachieved savings proposals and additional salt purchases for winter maintenance. The balanced positions reported included Civil Parking Enforcement, where additional income generated was transferred to the Parking Reserve.

## Resources

### Governance & Legal Services +£643,000

**+£273,000 Month 9**

27. The outturn position for this directorate reflected a significantly increased overspend, of £643,000, compared to the position previously reported. This increase related to Legal Services and a further increase in the cost of external legal fees, a reduction in the level of income generated and revised staffing costs. The overall position was the result of a Legal Services overspend, which totalled £621,000, and was due to the aforementioned cost of external legal fees, partly offset by in-year savings against employee budgets due to vacancies. The level of fees incurred is linked to the number and complexity of safeguarding cases. Whilst there is a degree of correlation between staffing vacancies and external legal fees incurred, the in-year saving did not prove sufficient to offset the external cost. In addition to the staffing savings, additional income was achieved, although this was offset by additional supplies and services expenditure. Other variances within the directorate included an overspend of £50,000 against the Member Services budget, due to overspends against various budget headings, and underspends within Democratic Services and against the Monitoring Officer budget. These underspends totalled £22,000 and £6,000, respectively, and were due to in-year employee-related savings. The 2019/20 savings proposals, which amounted to £372,000, were achieved in full.

**Resources (£7,000)**

**(£19,000) Month 9**

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28. The final position for the Resources directorate reflected an underspend of £7,000. Whilst this underspend was broadly in line with the position reported at Month 9, there were offsetting changes between the two reporting periods against a number of divisions. The overall position was predominantly the result of underspends within Finance, Commissioning & Procurement and Human Resources, offset by overspends within the Digital Services division and Health & Safety. A shortfall of £44,000 was recorded against the directorate's £2.381 million savings target for 2019/20. These shortfalls related to the generation of additional income within Health & Safety and recharge income relating to the Council's trading company for procurement and commercial services.
29. The largest underspend within Resources related to Human Resources and totalled £146,000. This underspend was largely due to savings against HR systems and additional recharge income and employee savings in relation to Organisational Development, combined with reduced external training expenditure within Cardiff Academy. The Commissioning & Procurement underspend amounted to £126,000 and was predominantly due to in-year staffing savings, due to a number of vacancies, partly offset by income shortfalls and a supplies and services overspend. The Finance underspend came to £109,000 and was due to additional income within the Capital Ambition Delivery Team and in-year employee savings within a number of services, partly offset by additional supplies and services costs and income shortfalls within Revenues.
30. The final overspend within the Digital Services Division totalled £346,000 and mainly related to an overspend against Enterprise Architecture, which was the product of income shortfalls and an overspend in relation to licence costs, partly offset by in-year employee savings. Customer Services also incurred an overspend, largely due to additional employee costs incurred in order to meet income targets. Other variances within the division included an underspend for Emergency Management, due to in-year employee savings, and a minor overspend for ICT, where staffing savings and additional income offset increased costs of systems and services. In addition to the Digital Services overspend, an overspend of £25,000 was reported for Health & Safety, due primarily to additional supplies and services costs.

**DIRECTORATE BUDGET SAVINGS PROPOSALS 2019/20**

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
1	Corporate Management	<b>Reduction of funding available to react to opportunities to fund City wide events</b> Further reduction of funding available to react to opportunities to fund City wide events. The current budget in respect of this area is £274,000.	126	126	0	This savings target was achieved in full.
2	Corporate Management	<b>Reduction in Past Service Contributions</b> A review of past service contributions to be made in respect of ex-employees has identified that there will be a £40,000 reduction in costs for the year 2019/20. The current budget in respect of this area is £865,000.	40	40	0	This savings target was achieved in full.
<b>Corporate Management Total</b>			<b>166</b>	<b>166</b>	<b>0</b>	
3	Economic Development	<b>Review of Venues &amp; Catering Staffing Resource</b> Deletion of two 0.5 FTE posts through voluntary redundancy. The current staffing budget for Retail Catering is £155,000.	19	19	0	A 0.5 FTE post was deleted with the balance of the savings target achieved via a flexible retirement.
4	Economic Development	<b>Closure of Public Conveniences in Caedelyn Park</b> The public conveniences in Caedelyn park are unused and in poor condition with no electrical supply, sinks or hand driers. Toilets will continue to be provided in the changing room block when there are pitch bookings. The public conveniences premises budget within Parks is £59,000.	6	6	0	This savings target was achieved in full.
5	Economic Development	<b>Review of Facilities Management Staffing Resource</b> A restructure of Facilities Management will result in the deletion of six posts within the service through voluntary redundancy. These posts are part of the Building Maintenance unit which currently has a staffing budget of £2.235 million.	157	157	0	The savings target was achieved in full through voluntary redundancy and flexible retirement.
6	Economic Development	<b>Corporate Landlord - Review of Security Costs</b> Saving will be achieved through the increased use of digital technologies in enhanced security plans for some Council sites. The current staffing budget for the Security and Portering service within Facilities Management is £972,000 with related income targets of £1.066 million.	80	71	9	This saving was partly achieved, with posts deleted, although a delay in implementing the new arrangement at Brindley Road has led to the shortfall.
7	Economic Development	<b>Corporate Landlord Model - Reduced Operational Cost of the Estate</b> Reduced utility and operational costs through the closure of St Mellons Enterprise Centre and St Mellons Youth Centre, with youth provision transferring to St Mellons Hub. The Facilities Management budget for these premises is currently £87,000.	63	63	0	This saving was achieved in full.
8	Economic Development	<b>Revised and restructured model for Economic Development</b> Restructure within Economic Development which will allow the deletion of a vacant post. This proposal relates to Economic Development Management and Support Services with a current staffing budget of £813,000.	56	56	0	The post was deleted and the savings target was achieved in full.
9	Economic Development	<b>Corporate Landlord Model - Cleaning of operational buildings</b> Redesign of the programme for the cleaning of Council operational buildings to align with a reduced budget. The current staffing budget for the Cleaning Service within Facilities Management is £5.092 million. The related income targets are currently set at £5.589 million.	53	53	0	The post was deleted and the savings target was achieved in full.
10	Economic Development	<b>Revised and restructured model for the Tourism service and reduction in Tourism budget</b> Deletion of a vacant post in the Tourism team along with a reduction in the budget for tourism initiatives. The current net budget for Tourism Development and Visitor Services is £411,000.	41	41	0	The post was deleted and the savings target was achieved in full.

## Appendix 3

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
11	Economic Development	<b>City Centre Management - Remove Subsidy</b> Reduce costs in order to make City Centre Management cost neutral. The current net budget for the City Centre Management function is £40,000.	40	40	0	This saving was achieved in full.
12	Economic Development	<b>New Operating model for Leisure Centres</b> Further year's saving as a result of the transfer of the operation of Cardiff Council's Leisure Centres to the new operator, Greenwich Leisure Ltd. The current budget for the Leisure Client Management Fee is £1.988 million.	1,822	1,822	0	This saving was achieved in full in line with GLL net subsidy requirements.
13	Economic Development	<b>New Theatre</b> Secure a private theatre tenant for the New Theatre building to develop and sustain the current theatre offer in the city. The current net budget for the Arts Venues (St David's Hall and New Theatre) is £808,000.	404	0	404	This saving was not achieved due to the enforced closure of the New Theatre as part of the Government advice and actions in relation to COVID 19.
14	Economic Development	<b>Parks and Sport – Continue transfer of parks buildings to reduce costs to the Council and attract investment</b> The further transfer of changing rooms and other sports buildings to local clubs, organisations, leagues and governing bodies to provide security of tenure, enabling external investment and grant aid and to reduce the cost to the Council of holding these assets. The Facilities Management premises budget for Outdoor Leisure is currently £232,000.	25	25	0	This saving was achieved in full.
15	Economic Development	<b>Cardiff Castle - Income / Staff Rationalisation</b> Saving to be achieved through the rationalisation of agency staff and overtime and the deletion of one post through voluntary redundancy, and the generation of additional income through new attractions (Black Tower Tales and Dr Who). The current staffing budget for Cardiff Castle is £1.359 million with an income target of £4.076 million.	122	0	122	This savings target was not achievable in year, partly due to year end income losses as a result of COVID 19 restrictions and the closure of the facility. Staff cost savings were also not achievable in year.
16	Economic Development	<b>Pest Control - Exploring opportunities for expanding markets</b> Further expanding the Council's market share through exploring opportunities for working with the private sector and other public bodies. The current staffing budget for the Pest Control service within Facilities Management is £321,000 with related income targets of £282,000.	30	22	8	The additional income target was in relation to an increased market share, which was only partly achieved.
17	Economic Development	<b>Workshops Income</b> Increased rental income from workshop units. The current rental and service charge income target for Workshops is £728,000.	20	20	0	This saving was achieved in full.
18	Economic Development	<b>Reduced Subsidisation of Events</b> Seek to reduce the level of subsidy of the current annual events programme through a staff restructure and removal of a level of subsidy for the events programme. The current staffing budget for the Events Operational Support service is £310,000 with Council subsidies for the Events Programme in the region of £216,000.	125	125	0	The savings target was achieved in full through the cessation of funding support for various events and the voluntary redundancy of one member of staff.
19	Economic Development	<b>Reduction in funding for annual Cultural Project Schemes</b> The Cultural Projects Scheme is a financial award scheme designed to support one-off cultural projects that meet the corporate priorities of the council. The saving will be achieved by removing the funding for the scheme. Given the one-off nature of projects, there is no impact for those that have been supported previously. The existing budget for Arts Revenue Grants is £62,000.	62	62	0	There are no ongoing commitments for expenditure and therefore this saving is considered to be achieved in full.
20	Economic Development	<b>Economic Development Projects and Initiatives</b> Reduction in the Business & Investment initiatives budget. This proposal relates to the Cardiff Convention budget which currently stands at £50,000.	28	28	0	This saving has been achieved in full.
<b>Economic Development Total</b>			<b>3,153</b>	<b>2,610</b>	<b>543</b>	

## Appendix 3

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
21	Education	<b>Delegation of responsibility for the Local Authority contribution to the Education Improvement Grant</b> This saving would be achieved by delegating the responsibility for the Council's contribution to the Education Improvement Grant to schools. The proposal delegates the current budget for the Council's contribution to the Education Improvement Grant in full.	962	962	0	The delegation of the EIG matchfunding took effect from 1st April and, therefore, this saving was achieved in full.
22	Education	<b>Full Year financial impact of Education Directorate Restructure</b> This is the full financial year impact of the staffing restructure of the Education directorate which took place in the 2018/19 financial year. The current base budget funded staffing budget is £4.215 million.	270	143	127	The new staffing structure was implemented during 2019/20. The first call on savings generated were the unachieved staffing savings from previous years, however the overall saving was not sufficient, leaving a shortfall in the current financial year.
49	Education	<b>School Transport - Route Optimisation/Retender</b> Optimisation of school transport routes in line with requirements for new academic year and associated retendering exercise. The current budget for payments to bus and taxi operators is £5.729 million.	400	0	400	Due to additional pressures surrounding new legislation and additional schools transport appeals, no net budget saving was achieved in 2019/20.
23	Education	<b>Generation of additional income for traded Additional Learning Needs (ALN) services</b> Exploring opportunities to generate additional income through increases to School Service Level Agreements, reduced subsidisation of training and opening up the trading base to schools in other Local Authorities. The current level of income generated through traded ALN services with Cardiff schools is £3.014 million.	140	14	126	The directorate are still developing mechanisms for achieving this saving and, therefore, it was largely unachieved in 2019/20.
73	Education	<b>School Transport - Active Travel</b> Walking routes put in place to remove transport requirements to Schools, in line with Active Travel Plans for schools and independent travel training. The current budget for payments to bus and taxi operators is £5.729 million.	50	0	50	Due to delays in installation of the scheme this saving will not be achieved until the next academic year (September 2020).
24	Education	<b>Reduction in contribution to the Central South Education Consortium (CSC)</b> The Joint Committee of the Central South Consortium determined the 2019/20 budget during the Autumn term. Directors from each of the partner Local Authorities asked for a reduction in budget together with a closer examination of the opportunities for the Consortium to use grant funding to offset core budget costs. There will be a 5% reduction in the required contribution from each LA in 2019/20. The current budget in respect of the contribution is £1.43 million.	70	70	0	The Joint Committee agreed the level of contribution for 2019/20 and this saving was achieved in full.
<b>Education Total</b>			<b>1,892</b>	<b>1,189</b>	<b>703</b>	
25	People & Communities - Housing & Communities	<b>Realignment of funding for homelessness service delivery</b> The saving will be achieved through a prudent use of the Homelessness Reserve over the following two years. The current net General Fund budget for Homelessness prevention and provision is £2.035 million. The anticipated balance on the Homelessness Reserve at March 2019 is £1.256 million.	250	250	0	This saving was achieved in full through a drawdown from the homelessness earmarked reserve. The reserve and ongoing funding requirements will continue to be reviewed as part of the budget strategy going forward.
26	People & Communities - Housing & Communities	<b>Community Wellbeing Hubs implementation</b> Delivery of the Community Wellbeing Hubs brings together Libraries and Hubs under one management structure. There the saving will result from greater join up of services between libraries and hubs, however the new structure does require significant changes to staffing. The new model will improve on the range of services being provided at our existing standalone branches especially around the provision of advice services for older people. The current General Fund staffing budget for Community Wellbeing Hubs and Libraries is £2.396 million.	250	250	0	This saving was achieved in full following completion of the related staff restructure in Autumn 2018 with part year savings achieved last financial year.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
27	People & Communities - Housing & Communities	<b>Review of Benefits Service in line with rollout of Universal Credit</b> The implementation of new business processes and the new online application will allow the deletion of vacant posts and a reduction in postage and printing costs. The current Housing Benefit Assessment staffing budget is £2.574 million of which £1.760 million is externally funded, with postage costs budgeted at £57,000.	125	125	0	This savings target was achieved in full with the deletion of 4 vacant posts.
28	People & Communities - Housing & Communities	<b>Deletion of an Into Work Advisor Post</b> Following the creation of the employability gateway, efficiencies have enabled the deletion of this vacant Into Work Advisor post. The current net budget for the Into Work Service is £118,000.	40	40	0	This savings target was achieved in full.
29	People & Communities - Housing & Communities	<b>Review of Adams Court and realignment of grant funding</b> Realignment of existing grant budgets to reflect activities undertaken at Adams Court Supported Housing Project and a reduction in the amount required to be spent on furniture. The Adams Court budget currently stands at £45,000.	30	30	0	Budgets were reduced accordingly and this saving was achieved in full.
30	People & Communities - Housing & Communities	<b>Review of Independent Living Service</b> As the Council continues to expand the range of services that are provided by the Independent Living Service, including the rollout of the First Point of Contact to Hospitals, there is an opportunity to better align existing grant funding which would offset management costs, thereby releasing savings. The net budget for this service is £570,000.	60	60	0	This savings target was partially achieved by staff recharges to the new Transformational Grant with the balance mitigated by income from Disabled Grant admin fees.
31	People & Communities - Housing & Communities	<b>Review of the Day Opportunities Team within Independent Living Services</b> Following a review of the work undertaken by the Day Opportunities Team there is an opportunity to join up with the new Community Inclusion Service to find opportunities to integrate individuals in local groups. The current staffing budget for Day Opportunities is £413,000.	20	20	0	This savings target was achieved in full following the Day Opportunities restructure.
32	People & Communities - Housing & Communities	<b>Smart House/Shop Services</b> Income generation from the sale of equipment to those not eligible for assessed support through the Joint Equipment Service. It is also possible that sales could potentially be made from one of the new wellbeing hub facilities in the future. This is a new scheme with no existing income target.	30	30	0	This savings target was achieved in full although only partially from sales. The balance was mitigated by additional Disabled Fee Grant income.
33	People & Communities - Housing & Communities	<b>Provision of all Into Work Services in-house</b> Following the implementation of the new model for Into Work Services in Cardiff, which included the creation of the Employability Service Gateway, there is the opportunity to provide more of the employment services in-house and reduce the management costs. The current net budget for the Into Work Service is £118,000.	33	33	0	This savings target was fully achieved through a reduction in the costed establishment as a result of a voluntary redundancy and the deletion of a vacant post.
34	People & Communities - Housing & Communities	<b>Citizen Advice Bureau (CAB) Contract - Agreed Reduction</b> This saving reflects the third year of a three year phased reduction in the cost of the Advice Services Contract. The related budget for the Cardiff Advice Services contract is £380,000.	30	30	0	This was the final year of the three year reduction in contract payments to Citizens Advice and the savings target was achieved in full.
<b>People &amp; Communities - Housing &amp; Communities Total</b>			<b>868</b>	<b>868</b>	<b>0</b>	
98	People & Communities - Performance & Partnerships	<b>Policy, Performance and Research restructure</b> Reconfiguring three functional areas to ensure the best use of resources, and to enable more effective utilisation of skills. The current staffing budget for this area is £722,000.	204	204	0	This savings target was fully achieved, predominantly through the deletion of vacant posts and voluntary redundancies.
99	People & Communities - Performance & Partnerships	<b>Restructure of Branding and Media teams</b> Restructure of the Council's communications, media and branding function, to ensure the best possible use of resources. The current staffing budget for this area is £813,000.	76	76	0	The restructure was completed and the saving fully achieved.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
105	People & Communities - Performance & Partnerships	<b>Income generation for Council's branding team</b> Saving will be achieved by operating the Council's internal branding team on a more commercial basis, increasing income collection from internal and external customers. The current income target is £133,000.	100	100	0	This savings target was fully achieved.
106	People & Communities - Performance & Partnerships	<b>Income generation in Bilingual Cardiff</b> Continued commercialisation of the Council's Bilingual Cardiff team to increase the amount of income generated by providing translation services to other organisations. The current external income budget for Bilingual Cardiff is £334,000.	42	42	0	Additional income was achieved in 2019/20 and the savings target was achieved in full.
109	People & Communities - Performance & Partnerships	<b>Reduction to Third Sector Council infrastructure grant</b> Reduction in direct grant to Cardiff's voluntary sector umbrella groups as part of a continuing development of a commissioning relationship between the Council and the sector. The current budget for this is £231,000.	40	40	0	This savings target was fully achieved. The reduction was communicated to the sector affected.
110	People & Communities - Performance & Partnerships	<b>Reduction in external spend in Communications and Media</b> Reduction in the Council's publicity campaign budget. The current budget for this area is £50,000.	44	44	0	This savings target was fully achieved.
<b>People &amp; Communities - Performance &amp; Partnerships Total</b>			<b>506</b>	<b>506</b>	<b>0</b>	
35	People & Communities - Social Services	<b>More children supported in Cardiff and through Council provision - Change the type and level of provision available in Cardiff and how this is commissioned, purchased and used</b> Of the children that are supported by the Council to live in residential homes, more of them will live in or close to Cardiff than at present. To achieve this, the Council will support the opening of 5 new residential homes in Cardiff during 2019. We will also take action to ensure that of the children in foster care, a greater proportion are in internal placements and live within Cardiff, than currently do. To support this, a new fostering service will be implemented from April 2019. The current budget for placement costs for children totals £25.211 million.	1,500	0	1,500	A number of initiatives were implemented in relation to preventing admissions, reviewing cases, increasing in-house, kinship and external foster carers and the development of in-house and external residential capacity. However, significant growth in the number of external residential placements in 2019 significantly impacted upon the directorate's ability to achieve the targeted savings in 2019/20. Some savings were achieved through the return to home of a number of young people in external placements. This saving was, however, outweighed by the underlying growth in numbers of those in residential care. No significant increase in the number of children placed with in-house foster carers was evident, albeit there was an increase in kinship carers, which helped to absorb some of the overall growth in looked after children.
36	People & Communities - Social Services	<b>Improve the cost effectiveness of Social Services commissioning arrangements</b> To improve the cost-effectiveness of the service's commissioning arrangements by seeking opportunities for rationalisation across the Directorate in terms of commissioning strategy, contract monitoring and financial management. To continue to use commissioning opportunities to seek higher quality services and added value for money where possible, through the implementation of an evidence based fee setting methodology for adults care home services and Care Home Charging Policy, and ensuring the best arrangements are in place for the commissioning of children's residential and foster placements. The current budgets for children's placements, and adult residential and nursing care commissioning total £69.795 million.	1,000	0	1,000	The directorate developed and implemented a new 'cost of care' fee setting methodology. This, however, did not generate savings in 2019/20. Separately, additional income was generated from an increase in the maximum weekly rate that can be charged for domiciliary care, albeit this offset a savings income shortfall carried forward from 2018/19. Further savings were also generated from the current year's fee uplift process. These savings were, however, offset by ongoing pressures on unit care costs which impacted on the achievement of the saving.
37	People & Communities - Social Services	<b>Safely reduce the number of children entering local authority care by enhancing protective factors within the child's home and community</b> Build on prevention models and service delivery that enables work with families to take place at an earlier opportunity, using the range of professionals within the early help context. This could involve extending the ARC model of intervention to younger children. The current budget for placement costs for children totals £25.211 million.	500	0	500	A number of preventative initiatives were implemented and use was made of specific grant funding to improve support for families. However, significant growth in the number of external residential placements in 2019 impacted on the directorate's ability to achieve targeted savings in 2019/20 and also had an impact on the overall financial position.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
38	People & Communities - Social Services	<b>Maximise use of Community Resource Team (CRT) to support people to become more independent</b> Reduction in the use of externally commissioned homecare services by reducing the need for intensive and long term packages of care. This will be achieved by increasing the capacity and impact of CRT to support people to become more independent, through a review of the Council element of CRT, changes to staffing structures to create additional capacity to assess service users, performance management, and a system review with Cardiff & Vale Health Board in order to repurpose the integrated elements of the CRT. The current budget for domiciliary care commissioning totals £22.531 million.	1,000	0	1,000	The cost saving arising from this proposal would need to be evidenced via a reduction in the number of domiciliary care hours commissioned from external providers. In spite of an ongoing process of review, the number of care hours grew slightly in 2019/20. No saving was, therefore, achieved.
39	People & Communities - Social Services	<b>Community Provision for older people - Improve the use and effectiveness of community provision to ensure people receive the right type and level of support at the right time in their lives</b> The Directorate will improve the availability of community provision and ensure that individuals are supported to access the most appropriate level of provision to maximise their independence. This support will be joined-up with partners and other organisations where appropriate and take into account social, cultural and family networks. This will include making better use of night time care, the introduction of a Hospital First Point of Contact (FPOC) and the implementation of a strengths based practice approach to ensure assessment / review takes place in the right way at the right time. All these steps will seek to support more people to remain living in their own home. The current Older People commissioning budget totals £48.01 million.	1,000	0	1,000	The cost saving arising from this proposal would need to be evidenced via a reduction in the number of domiciliary care hours commissioned from external providers or a significant reduction in care home placements. Commissioned care hours increased slightly in 2019/20 while care home placements, although remaining fairly static, did not show a significant reduction.
40	People & Communities - Social Services	<b>Enabling people with a Learning Disability to live the lives they want to live with reduced levels of community support</b> To improve the lives of people with learning disabilities and reduce the overall cost of provision. This will be achieved by implementing a strengths based practice approach to ensure assessment/review takes place in the right way at the right time, increased use of community facilities and services to enable people to participate fully in local communities with improved networks and rights, the identification of future accommodation needs to ensure appropriate local provision and reduce use of residential care and an increased use of adult placements for accommodation and respite where appropriate. The current Learning Disability commissioning budget totals £34.316 million.	500	500	0	The number of externally commissioned residential home places for those with learning disabilities reduced significantly in 2018/19 and the trend remained relatively stable in 2019/20. The full year effect of the savings relating to 2018/19, and in-year savings relating to increased continuing health care contributions from the UHB, meant that the targeted saving was achieved in 2019/20.
41	People & Communities - Social Services	<b>Enabling people with a Mental Health Issue to live the lives they want to live with reduced levels of community support</b> Deliver improvements in practice and use of provision, to improve the lives of people with a mental health issue and reduce the overall cost of provision. This will be achieved by implementing a strengths based practice approach to ensure assessment/review takes place in the right way at the right time, continuing to reduce the number of people moving into Supported Living accommodation through the development of appropriate step down accommodation solutions, and investigating opportunities to reduce the use of residential home placements or to 'step-down' individuals into lower level forms of supported accommodation. The current Mental Health commissioning budget totals £6.12 million.	500	500	0	The number of externally commissioned residential home places for those with mental health issues reduced significantly in 2018/19. There was also a reduction in the number of domiciliary care hours commissioned. Activity levels in 2019/20 remained relatively stable. The full year effect of savings relating to 2018/19, and in-year savings related to ongoing reductions in commissioned domiciliary care, were sufficient to reach the budgeted target.
<b>People &amp; Communities - Social Services Total</b>			<b>6,000</b>	<b>1,000</b>	<b>5,000</b>	

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
42	Planning, Transport & Environment	<b>Fleet Services</b> Review of vehicle operations including utilisation and rationalisation, in addition to procurement and maintenance. The current budget for vehicle provision including maintenance and running costs is £6.698 million.	600	0	600	This saving was not achieved but some mitigating action was taken by restructuring the capital loan repayment in respect of the RCV purchases and utilising the CTS reserve. This saving target has been removed as part of the 2020/21 budget considerations.
43	Planning, Transport & Environment	<b>Recycling &amp; Waste Management Services</b> Full review of waste disposal governance and financial controls resulting in improved business processes and efficiencies. The net budget for the recycling & waste service is £15.657 million.	250	0	250	Several improvements to internal processes were made during the year but there was no clear visibility that this generated a cashable saving.
44	Planning, Transport & Environment	<b>Neighbourhood Services - Service Redesign</b> Rebalancing street cleansing rounds, reshaping on an area basis in order to optimise use of resources. The current staffing budget is £5.099 million.	160	160	0	Savings were achieved through a restructure that commenced in 2018/19 and completed in the current year.
45	Planning, Transport & Environment	<b>Recycling &amp; Waste Management Services - Review of Staffing Resource</b> Restructure to be undertaken within the Waste service to allow various posts to be deleted. The current staffing budget is £722,000.	134	0	134	No staff restructure took place during the year. This saving target has been removed as part of the 2020/21 budget considerations.
46	Planning, Transport & Environment	<b>Environment Enforcement</b> Improved efficiency and effectiveness through digital working. The current income target is £465,000.	60	0	60	The final position for penalty notices reflected a shortfall against the increased target.
47	Planning, Transport & Environment	<b>Recycling &amp; Waste Management Services - Residual Waste to Recycling</b> Increased productivity & recycling efficiency from the Household Waste Recycling Centres. The current residual waste disposal budget is £5.566 million although £1.768 million is funded by a Welsh Government grant.	40	40	0	The costs associated with the various waste and recycling treatment processes indicated that this saving was achieved.
48	Planning, Transport & Environment	<b>Energy Management - Sustainability Team Leader</b> Saving will be achieved through charging 60% of the Sustainability Team Leader Post to the Housing Revenue Account (HRA) to reflect the proportion of work undertaken in relation to Housing. There is currently no recharge to the HRA.	33	0	33	There was insufficient evidence to justify an increase in the existing recharge so this saving was unachieved.
50	Planning, Transport & Environment	<b>Civil Parking Enforcement - Fundamental Service Review</b> Fundamental review of Civil Parking Enforcement service to optimise performance and service delivery. The current operating costs are £6.290 million.	300	300	0	Civil Parking Enforcement exceeded its income target so this saving was achieved.
51	Planning, Transport & Environment	<b>Reshaping Highways Operations</b> A review of demand for highways related work has identified the opportunity to grant voluntary redundancy in respect of three posts. A reduction in the need for reactive works, along with improvements in technologies and ways of working, supports a reduction in resources within Highways Operations, with no detrimental effect on service provision. The current staffing budget is £4.116 million.	132	132	0	This saving was achieved following the finalisation of a number of voluntary redundancies.
52	Planning, Transport & Environment	<b>Electrical - Lighting Energy Reduction</b> Reduction in energy usage and cost due to introduction of LED on strategic routes. The current Street Lighting energy budget is £2.413 million.	122	122	0	This saving was realised in full.
53	Planning, Transport & Environment	<b>Restructure of Transport Teams</b> Following the appointment of a new Operational Manager, this saving will be achieved through the restructure of various teams within Transport Services. The current staffing budget is £740,000.	80	80	0	A part year saving was achieved via a voluntary redundancy. The remaining saving was achieved through opportunities to recharge staffing costs to external and grant funded schemes.
54	Planning, Transport & Environment	<b>Review of Active Travel plans for Cardiff</b> Deletion of vacant posts in line with Active Travel plans for Cardiff. The current staffing budget for Active Travel is £277,000.	55	55	0	The saving was achieved in full.
55	Planning, Transport & Environment	<b>Service Management &amp; Support - Team Restructure</b> Restructure of Support Team resulting in deletion of posts through flexible retirement and voluntary redundancy. The current staffing budget is £644,000.	52	12	40	The team restructure was delayed, resulting in only a proportion of the saving being achieved in 2019/20.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
56	Planning, Transport & Environment	<b>Planning - Deletion of Vacant Post</b> Deletion of vacant administrative post in Planning. The current administrative support budget is £357,000.	22	22	0	The saving was achieved in full.
57	Planning, Transport & Environment	<b>Regulatory Collaboration</b> Reflects a further year's saving for Cardiff from the creation of a single shared service for Environmental Health, Trading Standards and Licensing functions of Cardiff, Bridgend and the Vale of Glamorgan Councils under a single management structure. As agreed in the service's financial business plan, this equates to 5% compounded over three years. The current budget provision is £4.978 million.	286	286	0	The saving was achieved following dialogue and agreement with the SRS.
58	Planning, Transport & Environment	<b>Bereavement Services</b> Generate additional income through increases to fees for burials and cremations, and memorial products and the introduction of fees for wooden grave markers. The income target is currently £2.790 million.	301	164	137	A proportion of this saving was achieved following the increase in fees. However, the mild winter reduced the number of burials and cremations, resulting in a shortfall against the target.
59	Planning, Transport & Environment	<b>Fleet - income from enhanced commercialisation of the service</b> Income from enhanced commercialisation of the service. The current income target is £447,000.	200	0	200	Whilst additional customers were attracted to the service, it was insufficient to meet the existing income target. Therefore, this target was unachieved, but has been addressed in 2020-21 as part of a budgetary realignment.
60	Planning, Transport & Environment	<b>Commercial Waste and Recycling</b> Increase income by growing the commercial waste and recycling centres at Bessemer Close and Lamby Way. The current income target is £978,000.	100	0	100	This income target was not achieved. A budget realignment has enabled a realistic target to be set for 2020-21.
61	Planning, Transport & Environment	<b>Lamby Way Solar Farm Scheme</b> Lamby Way Solar Farm will provide a substantial amount of clean, renewable energy to supply the local electricity grid and connected Council buildings. It will make a positive contribution to national and local renewable energy generation and carbon reduction targets. Through this solar farm scheme additional income will be generated from January 2020. This is a new scheme so there is no existing budget.	30	0	30	The Solar Farm was not operational during 2019/20 and, therefore, this saving target was not achieved.
62	Planning, Transport & Environment	<b>Registration Services Income</b> Generate additional income through increases to fees for marriage ceremony room hire and private citizenship ceremonies. The income target is currently £798,000.	23	23	0	The income target was achieved.
63	Planning, Transport & Environment	<b>Cardiff Dogs Home</b> Improved coordination of volunteers and increased income opportunities. This is a new initiative. The net budget provision for Cardiff Dogs Home is currently £284,000.	20	20	0	The income target was achieved.
64	Planning, Transport & Environment	<b>Transport Policy - Improved income recovery</b> Improved income recovery through the digitalisation of the Network Management function and benchmarking against other local authorities. The current income target is £483,000.	120	41	79	Some improvements were made which generated an additional £41,000, leaving a shortfall of £79,000 against the target.
65	Planning, Transport & Environment	<b>Clamping and Removal of Nuisance Vehicles</b> This saving will be achieved following the DVLA's authorisation of Cardiff Council to enforce against untaxed vehicles under devolved powers to use the Vehicle Excise Duty (Immobilisation, Removal and Disposal of Vehicles) Regulations 1997. This would allow the Council to monitor, report and with the permission of the DVLA, either to clamp and/or remove untaxed vehicles from the highway and Council-owned land, which would require payment of a release fee. This is a new initiative and therefore no existing budgets.	120	0	120	Although the initiative has many benefits for the Cardiff Highway Network and helps address the issue of vehicle tax avoidance, there were unforeseen problems affecting the performance of the operation. There were issues related to clamps being forcibly and illegally removed, legislative issues regarding the use of the Camera Car, making the process more time consuming and therefore less efficient (now resolved), and a greater than anticipated number of offenders paying the early release fee rather than the anticipated higher retrieval fee. This target was written out of the 2020/21 budget.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
66	Planning, Transport & Environment	<b>Delivery of approval body for Sustainable Drainage</b> The delivery of the approval body for Sustainable Drainage will provide a net income through applications after taking into account additional staff costs. This is a new legislative requirement so does not currently have any budget.	108	0	108	The volume of applications included in the Business Case did not materialise. This had a significant impact on the level of income and therefore the net surplus was not achieved. This target has been written out in the 2020/21 budget.
67	Planning, Transport & Environment	<b>Planning - Progressing development proposals and enhanced information gathering</b> Enhanced income opportunities in relation to the role of the Planning Service in progressing development proposals and enhanced information gathering in respect of new applications in the pipeline. The income target is currently £2.4 million.	80	80	0	The necessary internal recharges were processed, enabling this saving to be achieved.
68	Planning, Transport & Environment	<b>Improved income from Developments</b> Increased income from enhanced delivery of key developments across the City. The current income target is £756,000.	45	45	0	This target was achieved in full.
69	Planning, Transport & Environment	<b>Transport Policy - Improved Recharging</b> Maximising opportunities for recharging of services to grant funding streams. The current income target is £273,000.	40	40	0	This target was achieved in full.
70	Planning, Transport & Environment	<b>General Fees &amp; Charges</b> Increase in fees & Charges across the Planning, Transport and Environment directorate including licensing and fixed penalty notices. The current income target for licensing is £564,000 and for fixed penalty notices £413,000.	32	32	0	This target was achieved in full.
71	Planning, Transport & Environment	<b>Reduction in Energy Levies</b> A change in government policy means that rather than a Carbon Management tax being levied on specific organisations, there will be an increase to the Climate Change Levy (CCL) on every bill. There is a resultant decrease in the cost to the Council. The current budget in respect of the Carbon Reduction Commitment is £471,000.	230	230	0	The budget was reduced in line with the reduction in the levy and this saving was achieved in full.
72	Planning, Transport & Environment	<b>Bereavement Services - Public Health Funeral Contract</b> Saving will be achieved through carrying out the Public Health Funeral Contract in-house. The current budget for payments to funeral directors and overheads is £24,000.	24	24	0	The budget was reduced in line with the proposal and expenditure remained within the reduced budget.
74	Planning, Transport & Environment	<b>Structures &amp; Tunnels - Maintenance</b> Reduction in maintenance expenditure following new contract and other efficiencies. The current budget provision for maintenance is £532,000.	20	20	0	The budget was reduced in line with the proposal and expenditure remained within the reduced budget.
<b>Planning, Transport &amp; Environment Total</b>			<b>3,819</b>	<b>1,928</b>	<b>1,891</b>	
75	Resources - Governance & Legal Services	<b>Review of Legal Services Staffing Resource</b> Restructure of Legal Services resulting in the deletion of two posts, and reducing capacity to undertake in-house legal work. The current Legal Services staffing budget is £2.724 million.	119	119	0	The restructure was progressed and posts were identified for savings on a voluntary redundancy and vacancy basis.
76	Resources - Governance & Legal Services	<b>Reduction in annual contribution to election reserve</b> Following a review, it is possible to reduce the annual contribution to the election reserve to pay for local elections. The current annual contribution is £96,000.	20	20	0	This saving was achieved but levels of reserve will require careful monitoring going forward. Any underspends will likely need to be retained when possible to keep the reserve at an appropriate level for local elections.
77	Resources - Governance & Legal Services	<b>Cease printing meeting agenda and reports for Councillors and Senior Officers</b> Cease printing meeting agenda and reports for Councillors and Senior Officers unless necessary to comply with the Equality Act 2010. This proposal would result in the removal of the entire printing budget.	13	0	13	The level of expenditure incurred during the year exceeded the available budget and, therefore, this saving was not achieved.
78	Resources - Governance & Legal Services	<b>Removal of Webcasting Equipment from County Hall Council Chamber</b> Any formal council meetings held in the County Hall Council Chamber will not be able to be webcast. However, currently only one Council meeting a year is held there and this could be held at City Hall. This proposal would result in the removal of the entire budget.	6	6	0	This saving was achieved in full.

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
79	Resources - Governance & Legal Services	<b>Reduction in Training and Development budget for Members</b> The current Training and Development budget is £9,000.	3	3	0	This saving was achieved in full.
80	Resources - Governance & Legal Services	<b>Increase in income</b> Increase in income and charges for legal work carried out for City Deal (£20,000), highways (£40,000), waste (£58,000), regeneration (£37,000) and client contributions for procurement lawyer (£58,000) and miscellaneous legal charges. Budgeted Legal Services income amounts to £1.015 million.	211	211	0	Agreements with various other directorates were put in place, meaning that this saving was achieved.
<b>Resources - Governance &amp; Legal Services Total</b>			<b>372</b>	<b>359</b>	<b>13</b>	
81	Resources	<b>Capital Ambition Delivery Team</b> Saving will be achieved through the ongoing restructure of the Capital Ambition Delivery Team, to align the focus of the team with the major transformational change projects contained within Capital Ambition Delivery Programme, and a planned drawdown from reserve for one year. The current staffing budget within the Capital Ambition Delivery Team is £949,000. The current budgeted drawdown from reserve stands at £110,000.	374	374	0	The use of reserves ensured that this saving was fully achieved.
82	Resources	<b>Restructure the Accountancy Function</b> A review of staffing structures and responsibilities in the section, enabling staff savings through a combination of vacant posts and voluntary redundancy together with the use of reserves in order to assist with the timing of the restructure. The current staffing budget for this area is £2.84 million.	359	359	0	This saving was fully achieved through voluntary redundancies and the use of earmarked reserves.
83	Resources	<b>Connect to Cardiff (C2C) - Channel Shift</b> C2C management are exploring means of automating as many interactions as possible for customers. This improves the customer journey and hours of service availability, but can also significantly reduce demand on resources, allowing the release of contact centre staff. A planned drawdown from reserve for one year will assist with the timing of this shift. The current C2C staffing budget stands at £2.4 million.	300	300	0	The phased deletion of posts and use of reserves ensured that this saving was fully achieved.
84	Resources	<b>Process efficiencies within Revenues and Council Tax</b> Savings will be achieved through efficiencies within Revenues and Council Tax. This will include a range of measures, including staff savings which will be delivered through a combination of a reduction in vacant posts and voluntary redundancy. The current staffing budget for this area is £3.3 million.	174	174	0	This saving was fully achieved, predominantly through the deletion of posts.
85	Resources	<b>Savings from reduction in Support Costs for Human Resources (HR) IT System</b> Savings arising from planned reduction in support costs for HR IT systems. The costs associated with this were previously funded by post reductions in HR as required in the original business case model. The current budget for HR IT systems is £579,000.	169	169	0	This saving was fully achieved.
86	Resources	<b>Human Resources (HR) IT System</b> Move the Council's HR IT system on to the Council's private cloud platform. The current budget for HR IT systems is £579,000.	116	116	0	This saving was fully achieved.
87	Resources	<b>Review of Human Resources Staffing Resource</b> Restructure of Cardiff Works and Cardiff Academy under one new manager role resulting in the deletion of two posts through voluntary redundancy. An additional deletion of one post in HR First Contact Team through Voluntary Redundancy. The current staffing budget for these areas is £548,000.	113	113	0	The relevant posts were deleted and the saving was fully achieved.
88	Resources	<b>Deletion of vacant Enterprise Architecture Posts</b> The new digital strategy for Cardiff refocuses the areas of work for the Enterprise Architecture Team and has identified the opportunity to delete two existing vacant posts. The current Enterprise Architecture staffing budget stands at £424,000.	80	80	0	The relevant posts were deleted and the saving was fully achieved.

## Appendix 3

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
89	Resources	<b>Restructure of Exchequer Support Function</b> Further restructuring of the Exchequer Support function, to include a reduction of supervisory / management roles as well as a further reduction of administrative staff through a combination of vacant posts and voluntary redundancy. The current net budget for this area is £540,000.	80	80	0	The deletion of two vacant posts and two posts relating to voluntary redundancy meant that the saving was fully achieved.
90	Resources	<b>Reduction of Audit Resource</b> The deletion of a Principal Auditor post through voluntary redundancy along with a reduction in hours worked. The current staffing budget for this area is £551,000.	62	62	0	The deletion of a principal auditor post and a reduction in hours for another post fully achieved this saving.
91	Resources	<b>Review the service delivery arrangements for risk management</b> A review of the service delivery arrangements for corporate Risk Management has enabled the deletion of a vacant post. The current staffing budget for Information Governance is £846,000.	52	52	0	The deletion of this vacant post fully achieved this saving.
92	Resources	<b>HR Organisational Development</b> Restructure of management of HR Organisational Development team and deletion of HR Organisational Development Team leader post through voluntary redundancy. The current staffing budget for this area is £220,000.	52	52	0	The deletion of the team leader post fully achieved this saving.
93	Resources	<b>Review of the Revenues Management Team</b> Saving will be achieved through the deletion of one post from the management structure in the Revenues Section. The current staffing budget for this area is £3.3 million.	50	50	0	The post was deleted and the saving was fully achieved.
94	Resources	<b>eProcurement Team - Staffing Review</b> Review of staffing resource within the eProcurement team allows the deletion of the Development and Support Manager post through voluntary redundancy. The current eProcurement staffing budget stands at £252,000.	47	47	0	The post was deleted and the saving was fully achieved.
95	Resources	<b>Revised funding arrangements for posts within HR People Services</b> Saving will be achieved via a planned and prudent use of reserves over a two year period, allowing a reduction in base funding for posts. The current staffing budget in respect of HR is £3.941 million.	43	43	0	The use of earmarked reserves meant that this saving was fully achieved in 2019/20.
96	Resources	<b>Contract Management Officer</b> Funding of planned Contract Management Officer post from reserves for a two year period. The Contract Manager post will be funded in full by this arrangement.	37	37	0	The use of earmarked reserves meant that this saving was fully achieved in 2019/20.
97	Resources	<b>Relocation of Council's In-House Occupational Health Service</b> Relocation of the Council's in-house Occupational Health Service from the current leased building at Nant Garw to a Council owned building. The current budget is £163,000.	23	23	0	The move from Nantgarw has now taken place and the saving has been achieved in full.
100	Resources	<b>Generation of Additional Income within Health &amp; Safety</b> The new Health & Safety structure will provide opportunities for additional income generation including training in areas such as asbestos. The current income target stands at £63,000.	99	75	24	A shortfall in income resulted for the year due to a delay in finding a location for the asbestos training to take place.
101	Resources	<b>Information Governance Team Review</b> Generation of additional income in order to support current resources allocated to Information Governance. The current income target within this area is £179,000.	33	33	0	This savings target was fully achieved.
102	Resources	<b>Additional income from HR support to schools</b> Additional income from supporting schools for services outside of the current Schools HR Service Level Agreement. The current income budget for schools SLAs is £1 million.	30	30	0	This savings target was fully achieved.

Appendix 3

No	Directorate	Proposal	Total Saving £'000	Savings achieved £'000	Savings not achieved £'000	Comments
103	Resources	<b>Atebion Solutions Additional Income</b> Atebion Solutions is a trading company wholly owned by the Council which trades commercial and procurement services to other public sector organisations. The model that has been developed is based on reducing the fixed costs of the Strategic Procurement Team through the charging of full costed staff time to the company. Due to the success of the company to date, the annual income target for the Council will be stretched by £20,000. The current income target related to Atebion stands at £180,000.	20	0	20	This saving was not achieved, however alternative savings, primarily from the non-filling of vacant posts, temporarily covered this shortfall.
104	Resources	<b>Additional Income from HR Support to City Deal</b> Maximising opportunities for recharging of HR services in respect of City Deal. There is currently no income target for this area.	18	18	0	This savings target was fully achieved.
107	Resources	<b>General reduction in external ICT spend</b> This will be achieved through a review of the current ICT contract arrangements. The current ICT Holding Account supplies & services budget stands at £1.95 million.	25	25	0	This savings target was fully achieved.
108	Resources	<b>Reduction in Special Projects Budget</b> Reduction in budget available to fund projects within the Resources Directorate. The current budget for this area is £57,000.	25	25	0	This savings target was fully achieved.
<b>Resources - Resources Total</b>			<b>2,381</b>	<b>2,337</b>	<b>44</b>	
<b>Council Total</b>			<b>19,157</b>	<b>10,963</b>	<b>8,194</b>	

**HOUSING REVENUE ACCOUNT 2019/20 - OUTTURN****APPENDIX 4**

	<b>2019/20 Estimate £000</b>	<b>2019/20 Actual £000</b>	<b>2019/20 Variance £000</b>
<b>EXPENDITURE</b>			
<b>Employees</b>	17,640	17,589	(51)
<b>Premises</b>			
Council House Repairs	18,300	18,673	373
Other Premises Expenditure	4,070	3,973	(97)
<b>Total Premises</b>	22,370	22,646	276
<b>Transport</b>	203	157	(46)
<b>Supplies &amp; Services</b>	2,475	2,291	(184)
<b>Support Services</b>	6,180	6,288	108
<b>Capital Financing</b>			
Capital Financing	25,514	25,124	(390)
DRF	6,400	6,400	0
<b>Total Capital Financing</b>	31,914	31,524	(390)
<b>Contributions to Funds/Doubtful Debts</b>	1,060	1,232	172
<b>Contribution to Reserves</b>	0	384	384
<b>GROSS EXPENDITURE</b>	81,842	82,111	269
<b>INCOME</b>			
<b>Rents</b>	(73,427)	(72,436)	991
<b>Service Charges</b>	(5,354)	(5,348)	6
<b>Other income and recharges</b>	(3,061)	(4,327)	(1,266)
<b>TOTAL INCOME</b>	(81,842)	(82,111)	(269)
<b>NET SURPLUS (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>

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## Appendix 5 - Capital Schemes Update

Budget monitoring reports during the year have provided regular updates on capital schemes. This appendix provides an update of main areas in which capital expenditure was incurred during 2019/20 and where resources are carried forward to complete schemes in future years. This accompanies the detailed list at Appendix 6.

### **Economic Development**

The 2019/20 programme for the Directorate is £72.119 million, with a variance identified of £6.454 million predominantly in relation to parks projects, developer contributions, carry forward of Council funding in respect of economic stimulus grant and property asset renewal schemes.

### **Business and Investment**

The council received a further £2.810 million of town centre loan funding from Welsh Government during the year for Butetown and Grangetown, which is repayable by 2032. This makes the total available to the council of £4.810 million towards loans to third parties in order to bring back vacant, underutilised or redundant buildings into beneficial use. Subject to completion of legal agreements, Cabinet agreed a loan of £2 million to allow the completion of the Coal Exchange building and support the wider regeneration of the area. No payments were made prior to the company entering into administration in May 2020. The Council aims to work with the administrators to secure the completion of the site, with a further report to Cabinet in respect of proposals when developed by the administrator, if Council funding is required.

### **City Development & Major Projects**

In the Council's five year programme, a sum of £2.366 million was allocated to economic development initiatives, primarily in relation to heritage buildings. The 2019/20 allocation of £366,000 is to develop a new Black Tower Tales visitor attraction at the castle, with expenditure during the year of £236,000.

The Council was informed in September of an award of £1.929 million of Welsh Government grant to support economic stimulus in local authorities. This is allocated for the acquisition of land situated on the corner of James Street and Adelaide Street in Cardiff Bay that has remained derelict for over 30 years. Completion did not take place in the year and given the funding had to be spent by 31 March 2020, this has been used to pay for other eligible capital expenditure, allowing any displaced resources to be utilised to fund the completion in 2020/21, subject to completion of all legal and financial due diligence.

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The primary phase of Central Square Public Realm was completed in November 2018 with costs of £8.7 million in 2018/19 and prior. Slippage of £342,000 is carried forward to complete works arising following future phases of the development in line with various other public realm works planned around the site.

Cabinet approved the acquisition of the Red Dragon Centre site in December 2019, which triggered the approval of the affordability envelope in respect of delivery of a new indoor arena as part of the 2019/20 budget proposals. Completion of the site took place in January 2020. Total expenditure in the year including fees is £58.396 million and procurement of a developer/operator for the new Indoor Arena is currently under way, with shortlisted bidders in a competitive dialogue phase. A full business case on the delivery of the Arena will be presented to Cabinet for final approval for a contract to be awarded to a developer/operator.

### **Parks & Green Spaces**

In respect of asset renewal buildings, works undertaken this year include boiler plant replacement at Bute Park and upgrading the main plant control panel at Blackweir changing rooms. The budget includes a £117,000 contribution towards new toilet provision at Parc Cefn Onn which is being carried forward for completion of that project.

The Asset Renewal Infrastructure budget of £140,000 along with slippage was used for footpaths reconstruction at Parc Cefn Onn, fencing replacement at Greenway allotments. Planned footpath works at Whitchurch common and Hailey Park along with Waterhall bridge replacement. Works to a retaining wall at Fairwater Park were delayed and will re-commence when working under Covid - 19 restrictions is possible. Delays were due to capacity and resource issues with initial tenders and quotations also significantly exceeding available resources. A sum of £113,000 has been carried forward to 2020/21

In 2019/20, the service requested and was provided with an enhanced play equipment capital allocation making the budget for 2019/20 £278,000. As a result of continued capacity issues, £243,000 is being slipped into 2020/21. Work undertaken included, acquiring replacement equipment for Drovers way, Caedelyn park and the Marl and refurbishment of skate parks across the city and preparation of contract documentation for Drovers Way, Glenmount, grange gardens, Lascelles drive, Park Caedelyn, Wilson road, Peppermint drive and Victoria park.

The contract for the landscaping work at Parc Cefn Onn is complete and the upper park reopened in August. Works included a timber walkway, footpath and seating improvements as well as pond works. The refurbishment of the toilet block commenced in February but was suspended due to Covid-19. Works have restarted with a view to completion at the end of August. Additional funding required to complete this element will be met from the Council's building asset renewal budget.

Refurbishment works at Roath Park house to protect it from further deterioration and make it wind and watertight commenced in September and are anticipated to be completed by the end of June 2020. The actual cost to date is £562,000, with options for a commercial use generating income being considered in parallel to ensure the site does not remain vacant. The project utilises funding from capital receipts from the disposal of the former youth hostel at Wedal Road agreed by Cabinet to be re-invested in the Roath Park district area.

The replacement of the boat jetty at Flat Holm Island was successfully completed in December at a cost of £366,000, funded from the Landfill Communities Fund.

## **Leisure**

Property asset renewal budget of £220,000 has been utilised in 2019/20 to allow completion of car park drainage and resurfacing at Insole Court (£135,000) as well as £85,000 for condition and electrical works at Cardiff International White-water and pool hall lighting at Llanishen Leisure Centre.

As part of the contract for the transfer of leisure sites to GLL, the balance remaining of the £3.5 million for investment in the transferred leisure sites was £1.047 million at the start of 2019/20. This is repayable on an invest to save basis, with expenditure in the year including changing room refurbishment, pool play features, boiler replacement and lighting schemes. Slippage of £678,000 into 2020/21 is shown pending a review by GLL of works required and consideration of whether the full amount is required.

Due to the deteriorating condition of the track at Cardiff International Stadium, replacement works which started in 2018/19 were completed during the year at a total cost of £500,000 in line with the original agreement for transfer of the site to Cardiff and Vale College.

A tender package has been prepared for a scheme at Pontcanna riding school to resurface the outdoor arena but not progressed pending SAB approval. Funding sources include a grant from Sport Council Wales and a contribution from the friends of the school.

## **Venues and Cultural Facilities**

Capital budgets were initially allocated in 2015/16 for priority works identified at St David's Hall (£350,000) and New Theatre (£295,000), pending consideration of alternative options for service delivery from those sites. Dormer windows at New Theatre were replaced during 2019/20 (£30,000), with other works subject to a condition survey as part of discussions in respect to the new lease agreement. Work commenced on upgrading the Building Management System at David's Hall (£106,000). A sum of £222,000 is carried forward from these budgets initially allocated.

## **Property & Asset Management**

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Property Asset Renewal works at administration buildings included the completion of stone balustrades on the roof at City Hall, upgrades to lifts and improved security measures at County Hall and upgrades to the uninterrupted power supply at Willcox House. Works at other buildings included fencing around the moat, roof replacement at the visitor centre and health and safety works to the high roofs at the Castle and the Former Virgin Active Tennis Site, emergency lighting and electrical remedial works at Cardiff Market; electrical works at Llanover Hall and replacement guttering at Cardiff Heliport. Slippage of £556,000 is being carried forward.

A scheme costing £214,000 to introduce security measures at Brindley and Coleridge road depot site along with related works has been completed, replacing the manned security with technology to both improve the effectiveness of security at the site. Of this expenditure, £146,000 is to be repaid over a five year period from the reduced operational costs on an invest to save basis in line with the original business case.

The Council continues to retain an allocation to support small scale capital works arising from Community asset transfer of buildings. No expenditure was incurred in 2019/20 with the amount of £123,000 carried forward to future years.

The investment property estate is managed on a commercial basis with capital receipts generated from the sale of investment estate assets reinvested to improve existing properties within the estate or to purchase better quality assets. Expenditure during the year included £81,000 to completed refurbishment works at Senlan industrial estate to bring units back into use

Following the completion of immediate health and safety works at the Former Virgin Active Tennis Centre site, expenditure of £1.150 million including fees was committed to in order to reconfigure the centre into separate, self-contained units including replacing mechanical and electrical services at the building. This would allow the securing of longer term lease arrangements for the beneficial use of the site as a local sports and club facility. The costs and fees for works under this contract increased significantly to £1.750 million due to issues in incorporating new mechanical and electrical equipment within existing infrastructure whilst working around current occupiers of the property, as well as to refurbish further areas of the property. Works under this contract were completed in May, with options for additional works required such as air handling ventilation, estimated at £200,000 subject to a procurement exercise. This would be paid for from the property asset renewal budget in 2020/21.

The full cost of the scheme was originally intended to be met from disposal proceeds of land on the site however a disposal is no longer deemed possible. To ensure this does not result in any impact on the council's requirement to borrow, the costs of the project will be met from disposals arising from the investment property strategy, with any costs supporting essential Health and Safety works to the building also being paid for from the Property Asset Renewal budget, where deemed essential.

In respect of Central Market, the council's phase one application for a scheme to provide interpretation, restore and prevent further deterioration to the building has

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been approved by National Heritage Lottery Fund. The development and design stage is expected to run to August 2021 and subject to this a final funding announcement in January 2022. The Council has allocated £450,000 capital funding over the next four years as well retaining as an earmarked revenue reserve.

### **Harbour Authority**

Expenditure in respect to the Harbour Authority is £595,000, including an additional allocation of £288,000 for Asset Renewal as well as £93,000 during the year to address issues arising from Storm Dennis. Various barrage structural works including completion of bascule bridge refurbishment, replacement and raising lock electrical panels and pathway widening works were carried out.

### **Education and Lifelong Learning**

The 2019/20 programme for the Directorate is £42.759 million, with a net overall variance identified of £25.523 million primarily due to the delay and the re-profiling of Band B schemes, alongside the continued slippage of asset renewal budgets including the scheme at Whitchurch High.

### **Schools - General**

The asset renewal budget of £17.090 million in 2019/20 includes £6.5 million of an additional £25 million approved over 5 years to address condition, health and safety and additional learning needs within the schools estate. Late in March 2019 during 2018/19, the Welsh Government provided the Council with £4.262 million maintenance grant which was used to displace Council funding resulting in slippage of £4.130 million, which was carried forward to 2019/20. Welsh Government also agreed a similar provision this year, with Cardiff's share at £4.577 million approved during 2019/20. Expenditure in the year totalled £7.377 million on a range of roof and boiler replacements, fire precaution works, safeguarding of lobbies and kitchen upgrades. The majority of the £9.713 million slippage reported is the result of two years of unbudgeted additional Welsh Government schools capital grants alongside delays in projects and capacity restraints. The grant funding has been prioritised for use and additional asset funding approved re-profiled across future years.

The Suitability and Sufficiency spend of £985,000 was utilised in 2019/20 on a range of works including; increased capacity for pupils with additional learning needs at Meadowbank, The Court, Marlborough and Bryn y Deryn as well as priority Disability Discrimination Act (DDA) adaptations in Rhiwbina Primary, Adamsdown, Willowbrook and Ysgol Y Wern. Slippage of £55,000 will be utilised in 2020/21 for emerging suitability schemes.

A £1.322 million separate allocation exists for works at Whitchurch High with future works subject to a full options appraisal. Opportunities for virements from existing education budgets will be considered subject to the impact of such an approach. These options have been reviewed but works are yet to be agreed resulting in slippage of £1.194 million into 2020/21.

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A grant of £1 million over two years has been awarded from Welsh Government to improve Ysgol Y Wern under the Welsh Medium programme. The project will increase the school to three forms of entry by providing two new permanent classrooms via extension of the existing building, along with the development of a Welsh medium teacher's training room in partnership with Cardiff Metropolitan, Welsh Government and the Central South Consortium. Slippage of £16,000 will be used in early 2020/21.

As part of an ongoing programme to reduce infant class sizes, Welsh Government agreed a £3 million grant funding package until 31 March 2021 for St Fagan's Primary, St Francis Primary and Oakfield Primary. Works at Oakfield are have been substantially completed this year with planning and project costs incurred in relation to St Francis and St Fagan's. The remaining £1.613 million slippage needs to be spent in 2020/21 under the current grant conditions.

A Welsh Government funding allocation of £5.097 million has been awarded to support Cardiff schools in developing sustainable EdTech Digital Services. This award has been split with 15% (£764,616) allocated to the Authority, of which £356,000 has been spent, with the balance (£4.333 million) available for use by the drawdown of equipment through an all Wales ICT Catalogue. Expenditure for the year totals £3.126 million against the catalogue. Remaining funding on both elements will be utilised in 20/21 as per the grant conditions.

### **Schools Organisation Plan – 21<sup>st</sup> Century Schools**

In March 2015, the Authority submitted a re-aligned 21<sup>st</sup> Century Schools Programme for investment totalling £164.1 million to Welsh Government. The 21<sup>st</sup> Century Schools Band A programme has fully utilised Welsh Government grant funding of circa £66 million. Expenditure in 2019/20 totalled £981,000, including final payments for the Eastern High School contract and initial demolition costs in relation to the Cardiff High School in the West project. Slippage of £500,000 is required due to outstanding demolition costs, alongside an outstanding open space project in relation to the Ysgol Glan Morfa project. The underspend reported relates to overestimated retention payments during 2018/19.

Band B of the 21<sup>st</sup> Century Schools Programme has now commenced with an agreed in principal funding envelope of circa £284 million. This is to be funded by Welsh Government grant award with match funding from Cardiff Council at a rate determined by the type of school. The timescale of the programme has been reviewed since the initial submission to Welsh Government and will continue to evolve as detailed business cases are developed. At present three schemes are progressing; Fitzalan High, St Mary the Virgin and Doyle Avenue.

The stage one Fitzalan contract was recently awarded and preparatory and design work has commenced. Total spend in 2019/20 was £2.054 million out of the total £64.3 million estimated cost of this project. A full business case has now been submitted to WG, which once approved, will allow Cardiff Council to begin drawing down the associated grant funding.

There is minimal spend to report on other Band B schemes, St Mary the Virgin (£445,000) has been prepared for tender and a full business case is currently being prepared for WG. The Doyle Avenue (£344,000) scheme is a complex scheme aiming to house three schools (Cantonian, Riverbank and Woodlands) on one shared campus. This remains at design stage.

## **People & Communities**

The total programme for 2019/20 is £14.086 million, with a variance identified of £4.533 million, the majority of which relates to slippage on regeneration schemes, schemes related to Intermediate care fund grant awards and hub projects.

## **Communities & Housing**

### **Neighbourhood Regeneration**

The Neighbourhood Renewal Schemes programme of £310,000, includes street scene environmental improvements in Cathays and Riverside, which are scheduled to be completed in June as well as implementation of a 3G sports pitch at Splott Park. A contractor has been appointed for the latter, but start on site is subject to confirmation and approval of the SAB body.

The demolition of the remainder of the Maelfa shopping centre is complete and foundation work commenced on new Cardiff Community Housing Association residential units. The public square will be completed in the summer, with completion of the whole development expected in October. The Council has incurred additional costs in respect of asbestos removal, security and land transaction tax payable with such costs managed from within existing budgets of neighbourhood renewal where possible to do so.

Including slippage from the prior year of £54,000 the alley gating budget is £104,000 for priority schemes throughout the city. There was some delay due to completion of consultation and legal procedures, with budget of £26,000 carried forward into 2020/21.

In March 2018, Cabinet agreed priorities for submission under the Welsh Government Targeted Regeneration Investment (TRI) Programme. In accordance with the terms and conditions of the funding, the Council has allocated its own resources to supplement other public and private funding. Council funding of £337,000 was available in 2019/20 with a further £900,000 in future years. Projects to date with approved TRI funding include a Tudor Road Commercial Business improvement scheme, an environmental improvement and green infrastructure scheme at Tudor Road and development of a creative hub at Butetown youth pavilion.

TRI grant of £920,000, is available towards the £1.350 million business improvement scheme which is proposed to start in phases as soon as it is deemed safe to do so; £1.630 million for the environmental improvement scheme (estimated total cost £3 million subject to receipt of tenders) and £545,000 towards Butetown Pavillion which was completed in the year.

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The majority of the Council's TRI match funding is carried forward to allow completion of these and future projects, with any Council funding previously allocated towards Butetown Pavillion re-allocated to support any development of additional facilities for young people.

The Council aims to develop an integrated city centre business academy for young people, at Grassroots in Charles Street. The project is at design stage and with forecast costs of over £2.5 million. An intermediate care fund grant bid has been approved at £400,000 and the outcome of further external grant bids is awaited as part of a wider regeneration scheme. Slippage of Council funding allocated in support of the scheme is shown for a consecutive year with £800,000 carried forward to 2020/21. The feasibility and viability of such a scheme will need to be considered in 2020/21, given the cost and outcomes of alternative grant funding bids.

Schemes to create hubs at Rhydypennau and Whitchurch are both funded by Welsh Government MALD and Integrated Care Fund grant. Expenditure forecast over two years is estimated to be £1.3 million, with completion of both schemes in July 2020.

### **Housing (General Fund)**

The Disabled Facilities Service budget for mandatory and discretionary grants to housing owner-occupiers as well as for administration costs for the grants is £4.400 million. This expenditure allows housing owner-occupiers to continue living in their own home. In addition Enable grant totalling £435,000 was received in the year from Welsh Government to deliver additional adaptations. Expenditure in the year was in line with the budget, with 580 mandatory and 1415 discretionary grants awarded.

An Intermediate Care Fund (ICF) grant of £660,000 was received at the end of March 2019 and used for adaptations. In accordance with the terms in accepting the grant, the Council was required to carry forward its own displaced resources into 2019/20 as slippage. During this year, the Council was requested to take a further £1.644 million of grant. This was used to support expenditure on adaptations, allowing a total of £2.304 million to be carried forward as slippage and to be spent on agreed ICF priorities with the health board.

To facilitate comprehensive regeneration schemes, the estate environmental improvement allocation supports the costs of works to owner-occupier properties as part of the Public Housing programme. Schemes include Anderson place, Taff embankment, Roundwood Estate, Arnold Avenue and Bronte Crescent. The budget also includes £100,000 for enabling works as part of any approved Welsh Government led scheme for energy wall insulation in Llandaff North and Rumney. Slippage of £312,000 is carried forward.

Acquisition of a site to expand the number of pitches at Shirenewton traveller's site took place during the year, with total expenditure of £433,000. This was in

advance of securing grant from Welsh Government for the construction of additional pitches, viability and planning consent.

Construction work on the Domestic Abuse One Stop Shop at the Cardiff Royal Infirmary site in partnership with the Health Board is complete with the total cost within the £1.2 million initially allocated. Unallocated budget will be used to meet additional costs on other Neighbourhood regeneration projects including Maelfa. The facility will be run by RISE which is a consortium of organisations providing services to support women.

### **Flying Start**

The budget for Flying Start Capital schemes for the year totals £18,000. This comprises £8,000 allocation for Shirenewton Playgroup and £10,000 for First Steps, Trelai Primary. All works were completed by year-end and the grant fully utilised in year. Additional Childcare grant totalling £1.117 million has been awarded to support sufficient childcare places to meet demand generated by the Childcare offer. Detailed plans are in place for St Mary the Virgin and St Pauls Primary School, expenditure of £148,000 was incurred across schemes, including external nurseries. Additional drawdown of grant has been brought forward from future years to cover these earlier than anticipated start dates.

### **Social Services**

#### **Adult Services**

The Day Centre Opportunities Strategy aimed to reconfigure day services for older people at three existing sites; Minehead Road, Grand Avenue and Fairwater day centres. The final scheme at Fairwater was completed in June 2019.

#### **Children's Services**

Proposals from the remaining John Kane Fund include an extension and refurbishment of the Crossland's home. The start of any scheme is dependent on ensuring the works impact on service delivery can be mitigated, accordingly only £27,000 was spent during the year on design.

An Integrated Care Fund grant of £300,000 over two years has been approved to improve and increase capacity of Trelai Youth Centre on the Ty Gwyn Special School campus, making it available to children and young adults with learning disabilities and complex needs in Cardiff for out of school activities. No expenditure was incurred during the year, with any grant funding carried forward to 2020/21.

### **Planning, Transport & Environment**

The 2019/20 programme for the Directorate is £39.288 million, with a variance identified of £15.516 million. This variance is primarily in relation to slippage of

highway infrastructure, transportation projects as well as recycling and waste management schemes.

### **Energy Projects & Sustainability**

Subject to due diligence, a number of schemes totalling c £750,000 are being considered for a second phase of the REFIT programme. A Salix repayable loan funding application will be made for any works that progress.

In May 2019, Cabinet approved the final business case to deliver a higher capacity 9 megawatt solar farm at Lamby Way. The Solar Farm is a long term invest to save project which approved on the basis of being self-financing over its operational life in excess of 30 years, as well as delivering long term financial benefits to the Council. The estimated works cost is £7.5 million with costs of £5.033 million incurred in 2019/20. Completion of the site is delayed due to the supplier being off site due to COVID 19 and is expected to resume as soon as it is deemed safe to do so. Remaining expenditure includes installation of a private wire connection, subject to a review of the costs of construction.

It should be noted that the costs of all projects identified above together with ongoing maintenance must be paid back from savings or future income generation.

### **Bereavement & Registration services**

The total programme for 2019/20 of £1.5 million reflects site and facility improvements of £750,000, with c£570,000 of this being works at Thornhill chapels, including additional costs of installation of air conditioning. The balance of the £750,000 programme was assumed expenditure towards the creation of a new cemetery site. Expenditure during the year on preparatory works was £415,000 due to a delay in accessing the site for site investigations. Tenders for the main works have been sought with works scheduled to commence in July 2020. In accordance with the Cabinet report in relation to extending the Cemetery site, any expenditure must be repaid from future income receivable as part of the bereavement reserve.

### **Recycling Waste Management Services**

The five-year capital programme includes £3.325 million to explore options for a new household waste recycling / reuse centre. No expenditure was incurred during the year and is unlikely until a suitable site is identified, resulting in slippage of £200,000.

As part of a separate glass collection trial in 2018/19, recycling containers and associated equipment costing £285,000 were acquired during that year. The Capital programme for 2019/20 included an allocation of £815,000 to roll out the scheme. The Council is working with Welsh Government, WRAP and Local Partnerships on the Recycling Service Strategy Development and to evaluate,

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plan and implement a cost-effective waste management system that meets current and future Welsh Government and Council targets and aspirations.

Until options modelling and their impact is complete, roll out will not be continued as the service may be developed in a different way. The budget is shown as slippage and to be reviewed as part of the 2020/21 capital programme.

The programme included a £500,000 allocation towards a package of acceptable fire safety measures in relation to the Materials Recycling Facility (MRF) equipment and building. Following discussions with the Council's insurers, the implementation of a fire trace and detection suppression system is being implemented at a cost of c £72,000 and further enhancements for this purpose are not required at this stage. Due to other emerging safety issues and maintenance issues at the MRF, part of this budget was used to meet these additional costs. Slippage of £384,000 is shown into 2020/21 to be reviewed with emerging priorities.

A budget of £375,000 was allocated for infrastructure asset renewal and safety works at various waste management sites. Works included site crossings and safety changes for users, security barriers, vehicle wash and weighbridge enhancements and litter bins with sensors. A property asset renewal allocation of £85,000 will pay for the provision of welfare facilities for waste collection teams with works to be undertaken during 2020/21.

Vehicles including electric sweepers were purchased during the year, with £515,000 of expenditure on vehicles as well as infrastructure works to support the roll out of hygiene collection services paid for by WG grant.

## Highway Infrastructure

The final outturn position for 2019/20 highway infrastructure is characterised by significant delay in the delivery of improvements deemed essential to support the condition of highway infrastructure, following approval of additional funding. Some of this delay has been reported during the year, but has increased during the end of the year. The approach to planning, resourcing, procuring and implementing such schemes during the end of a financial year will always represent a risk to incurring expenditure in the year it is initially requested and allocated, however this has also been impacted by the COVID 19 position and ability of contractors to complete works where contracts have been in place. Budgets carried forward will need to be re-prioritised together with resources allocated for 2020/21, ensuring sufficient internal capacity is in place to deliver priority improvements where still deemed affordable, deliverable and necessary.

Expenditure on the reconstruction of structurally deteriorated roads was £43,000 with work completed at Heol Hir. Site investigations were undertaken to identify the most appropriate treatments on Greenway Road, Nant Fawr Crescent and New Road, however this has delayed a procurement exercise resulting in slippage of £357,000, the majority of the budget initially allocated. . Following detailed assessment and ground investigations at Greenway Road it has been determined that an alternative treatment can be utilised. This will enable a larger

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area of road to be addressed but also resulting in considerably less disruption to road users as the road closure will be far shorter. The works are programmed to be undertaken in June/July 2020.

Budgets for carriageway and footway works total £8.191 million including additional WG grant for public highways of £1.723 million. Expenditure during the year was £4.718 million with significant slippage of £3.473 million carried forward. Although assessment works for the 2019/20 programme are complete, Covid-19 and resource issues to assist with contract delivery has resulted in a delay in letting works contracts. The resurfacing contractor has since returned to work with approximately £240,000 of work completed to date since lockdown, with further specialist works valued at £270,000 during June to address safety concerns under Culverhouse Cross on the A4232.

Both the footway reconstruction and surface treatment programme were tendered and programmed to commence in April 2020. Due to the restrictions associated with Covid 19 neither contracts were awarded as the works were considered as undeliverable for surface treatment and undeliverable without a minimum of 50% uplift for reconstruction and therefore value for money would not have been achieved. The approach for 2020/21 is therefore to reprioritise funds into programmes of work that can confidently be delivered and offer high quality and value for money. Early prioritisation of treatments and schemes will now be progressed in 2020/21 to ensure budgets made available are spent effectively.

The five year capital programme includes a sum of £2.250 million to replace the timber surface of the Millennium Walkway which surveys indicated was at the end of its expected lifespan. The 2019/20 allocation was to support design with potentially a small area of new sustainable material being trialled before wider roll out. Detailed structural survey work, only accessible by boat, is necessary to determine the structural integrity and design options for the replacement structural members. This is on hold due to Covid 19. The design process can continue towards the completion of the contract documentation, however prior to any tender award, access to the stadium will need to be considered, particularly in its current capacity as the Dragons Heart. With expenditure of £10,000 during the year, slippage of £240,000 is being carried forward into 2020/21.

The Bridges and Structures expenditure of £812,000 included addressing flooding issues at a number of sites, replacement of emergency doors and drainage pumps at Butetown Tunnel; culverts at Capel Llaniltern, and parapet works at Caerau Place and Radyr Place. Through the on-site investigations necessary to progress the detailed design for the replacements of culverts at St Fagan's Road and Llandennis Road, an extraordinary volume of utility assets was identified that did not align to utility drawings. Many of the assets have very high dependency and associated penalty charges should they be disrupted, therefore negotiations are ongoing with the asset owners. The aforementioned owners have advised they will require considerable minimum notice periods before permitting any diversion works. Assessment reports are ongoing for North Road flyover although again Covid 19 resulted in aborted overnight specialist inspections. Negotiations for the future improvements required at Station Road

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are ongoing with Network Rail. Slippage of £719,000 is requested to be carried forward into 2020/21.

The street lighting renewal budget was used for replacement lighting in subways and low level solar powered bollards, with the first phase in Pentwyn, and Gabalfa complete. Design continues to be progressed for an essential programme of cable and column replacement works at Eastern Avenue to be phased over a number of years. The scope has been determined with detailed design and contractual documentation now being undertaken by an alternative provider. It is anticipated that the design and tender process will be completed later in 2020. Slippage of £763,000 is being carried forward into 2020/21.

Following a successful trial of LED lighting in the Radyr Ward, an invest to save business case was approved by Cabinet in May 2019, for all remaining residential columns to be converted to LED at a potential cost in excess of £6 million. The tender exercise is to commence in September 2020, with a contract for works, potentially to be in place by 2021. Slippage of £2 million is carried forward as previously highlighted, with any savings expected from reduced energy costs also delayed until implementation.

As part of a coastal defence scheme to implement improvements from Rover Way to Lamby Way, a Welsh Government grant of £639,000 was awarded to progress design, habitat assessments and complete a full business case. Expenditure of £377,000 was incurred in the year with Council match funding £146,000 and Grant £325,000 being carried forward into 2020/21. A ground investigation contract was completed in May 2020, with the results to be utilised in order to determine the most appropriate detailed design. The detailed design is due to be completed by the end of the financial year for submission to WG. Implementation of any scheme is subject to approval of the business case as well as confirmation of financial viability including any match funding required from the Council. Subject to the above, this is likely to be in early 2022.

## **Traffic & Transportation**

The Council Road Safety Schemes budget of £335,000 was fully utilised to match fund schemes delivered under Safe Routes in Communities Grant (Fairwater - Plasmawr), Road Safety Fund (Western Ave and Safety Cameras), and to supplement a developer funded scheme at Heol Pontprennau.

The asset renewal telematics budget of £135,000 was exceeded by £36,000 and was used for replacement of obsolete CCTV cameras at various locations. The variance will be met from the future year's allocation.

The total budget for cycling development allocated by the Council in 2019/20 was £2.5 million, which is also to be used to match fund bids for Welsh Government grant funding where possible. Expenditure in the year was £606,000 primarily on the design of cycle superhighways and towards implementation of a scheme at Senghennydd Road. Slippage of £1.874 million is carried forward.

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A sum of £375,000 Council match funding was included in the 2019/20 Capital Programme together with slippage of £241,000 in order to bid for and secure a range of Welsh Government grants where match funding is a requirement. Welsh Government terms and conditions require all grants to be utilised by 31 March 2020, accordingly the use of grant during the year was maximised, allowing £397,000 of the council's own funding to be carried forward to complete schemes, particularly where delayed as a result of the impact of Covid-19 on the construction programme.

City Centre and Key Links Transport Improvement budget of £1.769 million including slippage was allocated towards air quality and active travel schemes in the City Centre, with slippage of £1.259 million reported, in line with the delivery programme. Local Transport fund grant of £510,000 as part of the Capital Cardiff Region City Deal Metro + scheme was used towards the design of City Centre Eastside. Following the approval by Welsh Government of the business case to meet the Air Quality Direction via a range of measures, Cabinet approved in January 2020, the commencement of works at Central Square – City Centre West Phase 1. Enabling accommodation works were due to start in March 2020, however was delayed due to the Covid-19 restrictions. A revised delivery programme having regard to social distancing working restrictions is being determined with the contractors who were initially due to enter site in July 2020 and aiming to complete by November 2021.

The Council applied for and received a number of grants during the year from Welsh Government for a range of objectives, which are described below. The timescales for utilisation of grant approved was 31 March 2020, however, in light of the unprecedented situation caused by the Covid-19 pandemic, WG have allowed an extension to the end of June 2020.

The Welsh Government revised allocation to Cardiff for the Local Transport Fund was £4.833M. The fund supported development of integrated, effective, accessible, affordable and sustainable transport systems. Schemes delivered include design of bus improvements on the A4119 and the A470 (£139,000), City Centre Transport Development to support sustainable travel infrastructure in the city centre (£1.369 million), to extend the on-street cycle hire scheme (£775,000), active travel to schools (£844,000), expansion of the 20mph limit area (£1.274 million) and to deliver a package of strategic cycle routes and on-street parking (£432,000).

The Local Transport Network Fund allocation of £150,000 was fully utilised to improve bus performance on strategic routes, through removal of priority narrowing's at key locations.

A Welsh Government Road Safety grant of £286,000 was allocated to support projects that reduce road casualties. Schemes included the design of traffic calming and pedestrian improvements on Rhydypennau Road near Dan-y-Coed Road and Crwys Road and construction work on the A48 Western Avenue. Expenditure during the year was £185,000 whilst expenditure on the A48 Western Avenue scheme was delayed as a result of the impact of Covid-19.

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Safe Routes in Communities Grant of £267,000 was allocated to improve accessibility and safety and encourage walking and cycling in communities around Ninian Park Primary, with outturn expenditure of £250,000 due to Covid-19 impact. Scheme will be completed in 20/21 utilising match funding.

Of the revised Active Travel Fund allocation of £2.549 million, outturn expenditure was £1.969M due to impact of Covid-19, with the remaining funding carried over until end of June. The purpose of the fund is to increase levels of active travel, improve health and well-being, improve air quality, reduce carbon emissions and connect communities. Funding supported Cardiff Cycle Superhighways stage 1 (£1.209 million), design and implementation of local walking and cycling schemes (£309,000) and expenditure of £451,000 used to implement a number other improvements to the Integrated Network Plan.

A grant of £134,000 was approved from the Department for Transport towards the costs of implementing on street residential charge points for electric vehicles. Match funding of £45,000 was allocated from the Parking Reserve. Implementation at 10 locations took place during the year with future sites to be delivered in 2020-21.

An allocation of £310,000 from the Parking reserve was approved to install Electric Vehicle charging points for Cardiff Council vehicles at numerous locations, to support a move towards an electric vehicle fleet. The number and locations of points has been determined and a contract awarded pending confirmation of implementation and phasing. Any commitments arising from this project will need to be managed from within the overall transportation budget and any bids for grant funding, in light of the significant reductions in parking income as a result of the Covid 19.

In relation to moving traffic offences, expenditure of £404,000 was incurred on purchasing stationary and motion cameras as well as a camera car for mobile enforcement. This expenditure was on an invest to save basis, to be repaid from future parking and enforcement income.

Due to the receipt of grant income from Welsh Government, the allocation from the parking reserve was no longer required during the year for expenditure incurred on the A4119 and A470 from Caedelyn to Tyn –y-Parc. Given the impact of Covid-19 on parking income alternative match funding will need to be sourced to construct the schemes, subject to grant award.

## **Resources**

The 2019/20 programme for the Directorate is £9.005 million, with a variance identified of £2.335 million in relation to the Council's commitment to the Cardiff Capital Regional City Deal (CCRCD) wider investment fund.

## **Technology**

The Modernising ICT budget aims to support projects in the Cardiff Capital Ambition programme and the digitisation of business services utilising modern

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technology. Expenditure of £1.308 million was in excess of the budget initially profiled for use in 2019/20, however budget has been brought forward from future years in order to meet costs. Costs include support for the implementation of Corporate Landlord Technology, staff costs for the roll out of SharePoint (Electronic Document Management System), developing the Cardiff App and other Digitalisation projects including the development of the Virtual Assistant (ChatBot).

Expenditure on the ICT Refresh was £362,000 supporting resilience, capacity and capability such as core network switch replacement, telephony rationalisation and update of firewalls. Slippage of £36,000 is carried forward to 2020/21.

### **Corporate**

The £200,000 contingency and £500,000 invest to save budget for small schemes were not drawn down during the year so removed from the programme.

Whilst the programme for 2019/20 allowed for a payment of £2.474 million as part of the Council's £28.4 million approved contribution to the £120 million Cardiff Capital Region City Deal (CCRCD) wider investment fund, no request for funds was made in 2019/20. Drawdown is subject to expenditure on approved projects by the CCRCD Joint Cabinet.

CCRCD Joint Cabinet approved a Housing Viability Gap Scheme in 2019/20, which included a cash grant of £5 million from Welsh Government towards this City Deal project. This had to be allocated by Welsh Government, by 31 March 2020, had to be deemed as used by that date and had to be allocated to a specific local authority. In this case Cardiff Council agreed to be the recipient and in parallel has awarded a grant of similar amount to City Deal for use on the Housing viability gap fund.

The Council's five year capital programme included a loan application from Cardiff City Transport Services of £2 million towards the replacement of diesel vehicles with electric buses. This is removed from the Capital Programme as the Council's 2020/21 and indicative programme includes a wider package of potential financial support to Cardiff Bus to allow the pension fund triannual valuation to be completed. This is subject to detailed discussions with the Company, Welsh Government, and company Pension Fund Trustees, with any support conditional on approval by Welsh Ministers and a report to Council.

### **Public Housing (Housing Revenue Account)**

The revised capital programme for Public Housing was £47.385 million with expenditure during the year of £41.521 million. Variances identified will be reprioritised as part of budgets assumed when setting the 2020/21 capital programme.

Expenditure of £3.160 million was undertaken on a range of estate regeneration schemes to tackle issues of community safety, defensible space, waste storage and courtyard improvements to blocks of flats. Major schemes within the

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programme include Anderson Place / Galston Street in Adamsdown, Taff Embankment, the Roundwood Estate, Arnold Avenue and Bronte Crescent, Willowdale Road and Heol Trelai.

An amount of £10.377 million was spent on improvements to the existing dwellings stock including £0.68 million on roofing, £0.87 million on boiler upgrades, £0.85 million on lift upgrades, £1.90 million on upgrades to High-rise buildings, £2.45 million on sheltered accommodation schemes including Clos Y Nant and Brentwood Court. A range of other investment was undertaken including rewiring, fencing, underpinning of properties where subsidence issues were found, and kitchen and bathroom upgrades when properties become vacant prior to re-letting. Where slippage is recognised, this will be reviewed as part of the 2020/21 programme and allows for rewiring and front door upgrades to flats following further fire testing.

Expenditure on disabled adaptations for public housing was £613,000 in excess of the initial budget due to additional demand and was managed within the overall HRA programme. Over 500 mandatory grants were awarded as well as 400 discretionary grants. Additional costs in this area are to be the subject of a review by the Directorate during 2020/21.

A report outlining the Councils strategy for delivering 1,000 new council homes by May 2022 and at least 2,000 in the longer term was considered by Cabinet in May. Expenditure on the development and acquisition of new housing over a number of sites during the year was £24.326 million. This included completion of phase one and preparation for future phases of Cardiff Living sites (£10.9 million), acquisition of land including the former Iorwerth Jones Centre and Citadel site (£1.70 million) and development of other sites including completion of shipping container schemes (£1.02 million) and further costs to develop a package deal scheme with Cadwyn Housing Association at Courtney Road (£2.84 million). Options are being considered to mitigate the impact of Covid 19 on sites in progress to allow units to be received in order to support the need for social housing.

At September 2019 Cabinet, it was resolved to continue to purchase private properties from the open market to be used as council homes. In order to meet targets the directorate significantly accelerated such acquisitions requesting a bringing forward of approved budget from future years where necessary. Expenditure of £7.17 million took place during the year.

### **Section 106 schemes and Other Contributions**

During the year, contributions are received in accordance with planning obligations or other agreements and then spent on capital or other schemes in line with those agreements.

Projects paid for using contributions in 2019/20 include:

- Parks and Green Spaces – Schemes included, Wilson Close, Fisher Hill Way, Craiglee Drive, Canal Park, and Jubilee Park play areas,

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Mackintosh Institute Community Garden, public realm and footpath improvements in Penylan, Hendre Lake and Gabalfa and site improvements at Leckwith Allotment. Expenditure during the year continues to be far lower than that originally assumed at the start of a year.

- Traffic and Transportation – public transport improvements, junction improvements, bus stops and bus borders; installation of CCTV and real time information, telematics and transportation schemes including the provision of bus routes in the City and strategic transport initiatives. Here also, expenditure during the year was lower than that originally assumed at the start of a year.
- Neighbourhood Regeneration - Improvement of community facilities at Maes y Coed Community Centre, Old St Mellons Village Hall and Lisvane Memorial Hall.
- Public Housing – development of new Council housing within the Council’s Housing Revenue Account.

The table below shows the Section 106 and other contributions held at 31 March 2020 based on the area of expenditure. These are proposed to be spent in future years, with the profile of expenditure to be updated at the next Cabinet monitoring report for 2020/21. Any profiling of use will need to be realistic having regard to capacity and skills to deliver projects as well as other interdependencies.

	<b>Balance as at 31 March 2020</b>
	<b>£000</b>
Parks & Green Spaces	4,738
Traffic & Transportation	4,059
Strategic Planning & Regulatory	269
Neighbourhood Regeneration	1,994
Economic Development	543
Education & Lifelong Learning	4,007
Public Housing (HRA)	2,011
<b>Total</b>	<b>17,621</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

<u>DIRECTORATE &amp; SCHEME</u>	2019-2020 Programme	2018-19 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2019-20	Outturn	Slippage	(Underspend) / Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b><u>ECONOMIC DEVELOPMENT</u></b>										
<b><u>Business &amp; Investment</u></b>										
1 Town Centre Loan Scheme	0	0	0	0	132	132	132	0	0	0
2 S106 Schemes	382	75	(75)	0	0	382	0	(382)	0	(382)
<b>Total Business &amp; Investment</b>	<b>382</b>	<b>75</b>	<b>(75)</b>	<b>0</b>	<b>132</b>	<b>514</b>	<b>132</b>	<b>(382)</b>	<b>0</b>	<b>(382)</b>
<b><u>City Development &amp; Major Projects</u></b>										
3 Economic Development Initiatives	366	0	0	0	0	366	236	(130)	0	(130)
4 Economic Stimulus Support	0	0	0	0	1,929	1,929	0	(1,929)	0	(1,929)
5 Central Square Public Realm	0	447	0	0	0	447	105	(342)	0	(342)
6 Red Dragon Centre Acquisition	0	0	0	0	58,396	58,396	58,396	0	0	0
<b>Total City Development &amp; Major Projects</b>	<b>366</b>	<b>447</b>	<b>0</b>	<b>0</b>	<b>60,325</b>	<b>61,138</b>	<b>58,737</b>	<b>(2,401)</b>	<b>0</b>	<b>(2,401)</b>
<b><u>Parks &amp; Green Spaces</u></b>										
7 Asset Renewal Buildings	210	117	0	0	0	327	210	(117)	0	(117)
8 Asset Renewal Parks Infrastructure	140	92	0	(81)	54	205	92	(113)	0	(113)
9 Play Equipment	290	(12)	0	0	2	280	37	(243)	0	(243)
10 Flood Risk Prevention	0	13	0	0	81	94	94	0	0	0
11 Parc Cefn Onn	0	428	0	81	6	515	346	(169)	0	(169)
12 Roath Park House	550	0	0	0	0	550	516	(34)	0	(34)
13 Flatholm Island Replacement Jetty	385	0	0	0	(19)	366	366	0	0	0
14 Flatholm Island - HLF Project	152	0	0	0	(131)	21	21	0	0	0
15 S106 Funded Schemes	1,342	520	(520)	0	0	1,342	306	(1,036)	0	(1,036)
<b>Total Parks &amp; Green Spaces</b>	<b>3,069</b>	<b>1,158</b>	<b>(520)</b>	<b>0</b>	<b>(7)</b>	<b>3,700</b>	<b>1,988</b>	<b>(1,712)</b>	<b>0</b>	<b>(1,712)</b>
<b><u>Leisure</u></b>										
16 Asset Renewal Buildings	85	125	0	0	10	220	220	0	0	0
17 Leisure Centres ADM (GLL)	0	1,047	0	0	0	1,047	369	(678)	0	(678)
18 Replacement of Athletics Track - CISS	0	(125)	250	0	0	125	125	0	0	0
19 Cardiff Riding School - Outdoor Arena	0	63	0	0	0	63	1	(62)	0	(62)
<b>Total Leisure</b>	<b>85</b>	<b>1,110</b>	<b>250</b>	<b>0</b>	<b>10</b>	<b>1,455</b>	<b>715</b>	<b>(740)</b>	<b>0</b>	<b>(740)</b>
<b><u>Venues &amp; Cultural Facilities</u></b>										
20 St David's Hall & New Theatre	0	358	0	0	0	358	136	(222)	0	(222)
<b>Total Venues &amp; Cultural Facilities</b>	<b>0</b>	<b>358</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>358</b>	<b>136</b>	<b>(222)</b>	<b>0</b>	<b>(222)</b>
<b><u>Property &amp; Asset Management</u></b>										
21 Asset Renewal - Buildings	1,585	565	0	0	0	2,150	1,594	(556)	0	(556)
22 Security Technology Brindley/Coleridge	208	0	0	0	6	214	214	0	0	0
23 Community Asset Transfer	50	73	0	0	0	123	0	(123)	0	(123)
24 Adamsdown Play Centre	0	0	0	0	42	42	42	0	0	0

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

<u>DIRECTORATE &amp; SCHEME</u>	2019-2020 Programme	2018-19 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2019-20	Outturn	Slippage	(Underspend) / Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
25 Investment Property Strategy	0	0	0	0	81	81	81	0	0	0
26 Former Virgin Active Centre	52	0	0	0	1,366	1,418	1,418	0	0	0
27 Cardiff Market Roof & HLF Grant bid	0	331	0	0	0	331	13	(318)	0	(318)
<b>Total Property and Asset Management</b>	<b>1,895</b>	<b>969</b>	<b>0</b>	<b>0</b>	<b>1,495</b>	<b>4,359</b>	<b>3,362</b>	<b>(997)</b>	<b>0</b>	<b>(997)</b>
<b>Harbour Authority</b>										
28 Harbour Asset Renewal	145	0	0	0	450	595	595	0	0	0
<b>Total Harbour Authority</b>	<b>145</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>450</b>	<b>595</b>	<b>595</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>5,942</b>	<b>4,117</b>	<b>(345)</b>	<b>0</b>	<b>62,405</b>	<b>72,119</b>	<b>65,665</b>	<b>(6,454)</b>	<b>0</b>	<b>(6,454)</b>
<b>EDUCATION &amp; LIFELONG LEARNING</b>										
<b>Schools - General</b>										
<b>Planning &amp; Development</b>										
29 Asset Renewal	8,529	4,130	0	(146)	4,577	17,090	7,377	(9,713)	0	(9,713)
30 Suitability / Sufficiency	1,040	(146)	0	146	0	1,040	985	(55)	0	(55)
31 Whitchurch High	0	1,322	0	0	0	1,322	128	(1,194)	0	(1,194)
32 Welsh Medium Education	310	0	0	0	0	310	326	16	0	16
33 Reducing Infant Class Sizes	2,445	0	0	0	0	2,445	832	(1,613)	0	(1,613)
34 ICF Education Grants	0	0	0	0	182	182	182	0	0	0
35 Schools ICT (Hwb)Rev Grant	0	0	0	0	456	456	456	0	0	0
36 Schools ICT (Hwb) Capital Grant	0	0	0	0	3,126	3,126	3,126	0	0	0
<b>Total Planning &amp; Development</b>	<b>12,324</b>	<b>5,306</b>	<b>0</b>	<b>0</b>	<b>8,341</b>	<b>25,971</b>	<b>13,412</b>	<b>(12,559)</b>	<b>0</b>	<b>(12,559)</b>
<b>Schools Organisation Planning</b>										
37 21st Century Schools - Band A	1,030	1,500	(756)	0	700	2,474	981	(774)	(719)	(1,493)
38 21st Century Schools - Band B	15,090	(776)	0	0	0	14,314	2,843	(14,643)	3,172	(11,471)
<b>Total Schools Organisation Planning</b>	<b>16,120</b>	<b>724</b>	<b>(756)</b>	<b>0</b>	<b>700</b>	<b>16,788</b>	<b>3,824</b>	<b>(15,417)</b>	<b>2,453</b>	<b>(12,964)</b>
<b>TOTAL EDUCATION &amp; LIFELONG LEARNING</b>	<b>28,444</b>	<b>6,030</b>	<b>(756)</b>	<b>0</b>	<b>9,041</b>	<b>42,759</b>	<b>17,236</b>	<b>(27,976)</b>	<b>2,453</b>	<b>(25,523)</b>
<b>PEOPLE &amp; COMMUNITIES</b>										
<b>COMMUNITIES &amp; HOUSING</b>										
<b>Neighbourhood Regeneration</b>										
39 Neighbourhood Renewal schemes	310	0	0	0	0	310	131	(179)	0	(179)
40 Clare Road/Penarth Road - Shop Fronts	0	255	0	(210)	0	45	45	0	0	0
41 Maelfa Centre Regeneration	0	183	0	361	0	544	544	0	0	0
42 Alleygating	50	54	0	0	0	104	78	(26)	0	(26)
43 Targeted Regeneration Investment Programme	300	37	0	0	0	337	7	(330)	0	(330)
44 Tudor Street Commercial Business Improvement Scheme	0	0	0	0	152	152	152	0	0	0
45 Rhydypennau Community Hub	0	0	0	0	260	260	260	0	0	0
46 Whitchurch Community Hub	0	0	0	0	321	321	321	0	0	0
47 City Centre Youth Hub	0	501	0	360	0	861	10	(851)	0	(851)

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

<u>DIRECTORATE &amp; SCHEME</u>	2019-2020 Programme	2018-19 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2019-20	Outturn	Slippage	(Underspend) / Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
48 Butetown Pavillion	1,274	142	0	(420)	(318)	678	665	(13)	0	(13)
49 Llandaff North Hub	0	0	0	4	0	4	4	0	0	0
50 St Mellons Community Hub	0	0	0	5	0	5	5	0	0	0
51 Property Asset Renewal	113	0	0	0	0	113	113	0	0	0
52 S106 Funded Projects	349	359	(359)	0	0	349	97	(252)	0	(252)
<b>Total Neighbourhood Regeneration</b>	<b>2,396</b>	<b>1,531</b>	<b>(359)</b>	<b>100</b>	<b>415</b>	<b>4,083</b>	<b>2,432</b>	<b>(1,651)</b>	<b>0</b>	<b>(1,651)</b>
<b>Housing (General Fund)</b>										
53 Disabled Facilities Service	4,653	407	0	(2,304)	1,644	4,400	4,396	(4)	0	(4)
54 Enable Grant	430	0	0	0	5	435	435	0	0	0
55 Council Holding ICF Monies	0	0	0	2,304	0	2,304	0	(2,304)	0	(2,304)
56 Estate Environmental Improvements	140	366	0	0	0	506	194	(312)	0	(312)
57 Travellers Site Expansion	0	450	0	0	0	450	433	(17)	0	(17)
58 Domestic Abuse Multi Agency Hub	0	1,041	0	(100)	0	941	881	(60)	0	(60)
<b>Total Housing</b>	<b>5,223</b>	<b>2,264</b>	<b>0</b>	<b>(100)</b>	<b>1,649</b>	<b>9,036</b>	<b>6,339</b>	<b>(2,697)</b>	<b>0</b>	<b>(2,697)</b>
<b>Flying Start</b>										
59 Flying Start	0	0	0	0	18	18	18	0	0	0
60 Childcare	0	0	0	0	148	148	148	0	0	0
<b>Total Flying Start</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>166</b>	<b>166</b>	<b>166</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Communities &amp; Housing</b>	<b>7,619</b>	<b>3,795</b>	<b>(359)</b>	<b>0</b>	<b>2,230</b>	<b>13,285</b>	<b>8,937</b>	<b>(4,348)</b>	<b>0</b>	<b>(4,348)</b>
<b>SOCIAL SERVICES</b>										
<b>Adult Services</b>										
Asset Renewal - Buildings	12	0	0	0	0	12	12	0	0	0
61 Tremorfa Day Services (ICF)	0	30	0	0	0	30	6	(24)	0	(24)
62 ICF Grants	0	0	0	0	351	351	351	0	0	0
63 Day Centre Opportunities	0	250	0	0	0	250	220	(30)	0	(30)
<b>Total Adult Services</b>	<b>12</b>	<b>280</b>	<b>0</b>	<b>0</b>	<b>351</b>	<b>643</b>	<b>589</b>	<b>(54)</b>	<b>0</b>	<b>(54)</b>
<b>Children's Services</b>										
64 Accomodation Strategy	131	125	0	0	0	256	27	(229)	0	(229)
65 Trelai Youth Centre	0	0	0	0	0	0	0	0	0	0
<b>Children's Services</b>	<b>131</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>256</b>	<b>27</b>	<b>(229)</b>	<b>0</b>	<b>(229)</b>
<b>Total Social Care</b>	<b>143</b>	<b>405</b>	<b>0</b>	<b>0</b>	<b>351</b>	<b>899</b>	<b>616</b>	<b>(283)</b>	<b>0</b>	<b>(283)</b>
<b>TOTAL PEOPLE &amp; COMMUNITIES</b>	<b>7,762</b>	<b>4,200</b>	<b>(359)</b>	<b>0</b>	<b>2,581</b>	<b>14,184</b>	<b>9,553</b>	<b>(4,631)</b>	<b>0</b>	<b>(4,631)</b>
<b>PLANNING, TRANSPORT &amp; ENVIRONMENT</b>										
<b>Energy Projects &amp; Sustainability</b>										
66 Energy Retrofit of Buildings (REFIT - Invest to Save)	0	1,448	0	0	(1,420)	28	28	0	0	0

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

<u>DIRECTORATE &amp; SCHEME</u>	2019-2020 Programme	2018-19 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2019-20	Outturn	Slippage	(Underspend) / Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
67 Salix SEELS	500	0	0	0	(497)	3	3	0	0	0
68 Lamby Way Solar Farm	5,227	96	0	0	0	5,323	5,033	(290)	0	(290)
<b>Total Energy Projects &amp; Sustainability</b>	<b>5,727</b>	<b>1,544</b>	<b>0</b>	<b>0</b>	<b>(1,917)</b>	<b>5,354</b>	<b>5,064</b>	<b>(290)</b>	<b>0</b>	<b>(290)</b>
<b><u>Bereavement &amp; Registration Services</u></b>										
69 New Cemetery Site ( Invest To Save)	750	0	0	0	0	750	415	(335)	0	(335)
70 Improvements of Facilities	445	0	0	0	182	627	627	0	0	0
71 Property Asset Renewal	123	0	0	0	0	123	123	0	0	0
<b>Total Bereavement &amp; Registration Services</b>	<b>1,318</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>182</b>	<b>1,500</b>	<b>1,165</b>	<b>(335)</b>	<b>0</b>	<b>(335)</b>
<b><u>Recycling Waste Management Services</u></b>										
72 New HWRC North Cardiff	0	200	0	0	0	200	0	(200)	0	(200)
73 Recycling Collection Containers	800	15	0	0	0	815	0	(815)	0	(815)
74 Absorbent Hygiene Product Collection	0	0	0	0	515	515	515	0	0	0
75 Electric Sweepers	0	0	0	0	64	64	64	0	0	0
76 MRF	45	0	0	63	0	108	108	0	0	0
77 MRF Automated Sorting Technology	0	0	0	0	32	32	32	0	0	0
78 MRF Fire Suppressant	0	500	0	(63)	0	437	53	(384)	0	(384)
79 Property Asset Renewal	107	0	0	0	0	107	22	(85)	0	(85)
80 Other Waste Management & Infrastructure	300	75	0	0	0	375	363	(12)	0	(12)
<b>Total Recycling Waste Management Services</b>	<b>1,252</b>	<b>790</b>	<b>0</b>	<b>0</b>	<b>611</b>	<b>2,653</b>	<b>1,157</b>	<b>(1,496)</b>	<b>0</b>	<b>(1,496)</b>
<b><u>Highway Infrastructure</u></b>										
81 Highway Carriageway - Reconstruction	400	0	0	0	0	400	43	(357)	0	(357)
82 Highway Resurfacing	3,973	2,690	0	0	0	6,663	3,757	(2,906)	0	(2,906)
83 Footpaths	1,035	368	0	0	0	1,403	865	(538)	0	(538)
84 Footway Improvements around Highway Trees	125	0	0	0	0	125	96	(29)	0	(29)
85 Millennium Walkway	250	0	0	0	0	250	10	(240)	0	(240)
86 Bridges & Structural Work	1,350	0	0	(37)	218	1,531	812	(719)	0	(719)
87 Street Lighting Column Replacement	470	523	0	0	0	993	230	(763)	0	(763)
88 LED Lighting Residential (Invest to Save)	2,000	0	0	0	0	2,000	0	(2,000)	0	(2,000)
89 Greener Grangetown	0	0	0	20	0	20	20	0	0	0
90 Bute Crane Refurbishment	0	25	0	37	0	62	62	0	0	0
91 Coastal Erosion / Flood Risk	845	115	0	0	(112)	848	377	(471)	0	(471)
<b>Total Highway Maintenance</b>	<b>10,448</b>	<b>3,721</b>	<b>0</b>	<b>20</b>	<b>106</b>	<b>14,295</b>	<b>6,272</b>	<b>(8,023)</b>	<b>0</b>	<b>(8,023)</b>
<b><u>Traffic &amp; Transportation</u></b>										
92 Road Safety Scheme	335	0	0	0	0	335	335	0	0	0
93 Road Safety 20mph Zones	190	0	0	0	(190)	0	0	0	0	0
94 Asset Renewal Telematics / Butetown Tunnel	135	0	0	0	0	135	171	36	0	36
95 Cycling Development	2,500	0	0	(20)	0	2,480	606	(1,874)	0	(1,874)
96 Llanrumney PT / Cycle Link	50	0	0	0	0	50	0	0	(50)	(50)
97 WG Grant Matchfunding	375	241	0	0	0	616	219	(397)	0	(397)

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

<u>DIRECTORATE &amp; SCHEME</u>	2019-2020 Programme	2018-19 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2019-20	Outturn	Slippage	(Underspend) / Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
98 City Centre & Key links Transport Improvement	300	959	0	0	510	1,769	510	(1,259)	0	(1,259)
99 WG (Local Transport Fund )	10,852	0	0	0	(6,019)	4,833	4,829	(4)	0	(4)
100 WG (Local Transport Network Fund)	0	0	0	0	150	150	150	0	0	0
101 WG (Road Safety Casualty Reduction)	522	0	0	0	(236)	286	185	(101)	0	(101)
102 WG (Safe Routes in Communities)	267	0	0	0	0	267	250	(17)	0	(17)
103 WG (Active Travel Fund)	3,549	0	0	0	(1,000)	2,549	1,969	(580)	0	(580)
104 DfT On Street Residential Charge points	0	136	0	0	0	136	81	(55)	0	(55)
105 Electric Vehicle Charging Points	310	0	0	0	0	310	6	(304)	0	(304)
106 Moving Offences Enforcement / P&D Equipment	745	0	0	0	(160)	585	404	(181)	0	(181)
107 Bus Corridor Improvements	335	0	0	0	(335)	0	0	0	0	0
108 Cardiff West Interchange			0	0	0	0	3	3	0	3
109 CCTV System Upgrade	0	34	0	0	0	34	69	35	0	35
110 Air Quality Monitoring Equipment	0	0	0	0	(7)	(7)	(7)	0	0	0
111 S106 Funded Schemes	802	619	(619)	0	0	802	328	(474)	0	(474)
<b>Total Traffic &amp; Transportation</b>	<b>21,267</b>	<b>1,989</b>	<b>(619)</b>	<b>(20)</b>	<b>(7,287)</b>	<b>15,330</b>	<b>10,108</b>	<b>(5,172)</b>	<b>(50)</b>	<b>(5,222)</b>
<b>Strategic Planning &amp; Regulatory</b>										
112 S106 Projects	156	23	(23)	0	0	156	6	(150)	0	(150)
<b>Total Strategic Planning &amp; Regulatory</b>	<b>156</b>	<b>23</b>	<b>(23)</b>	<b>0</b>	<b>0</b>	<b>156</b>	<b>6</b>	<b>(150)</b>	<b>0</b>	<b>(150)</b>
<b>TOTAL PLANNING, TRANSPORT &amp; ENVIRONMENT</b>	<b>40,168</b>	<b>8,067</b>	<b>(642)</b>	<b>0</b>	<b>(8,305)</b>	<b>39,288</b>	<b>23,772</b>	<b>(15,466)</b>	<b>(50)</b>	<b>(15,516)</b>
<b>RESOURCES</b>										
<b>Technology</b>										
113 Modernising ICT to improve Business Processes	800	333	0	0	0	1,133	1,308	175	0	175
114 ICT Refresh	400	(2)	0	0	0	398	362	(36)	0	(36)
<b>Total Technology</b>	<b>1,200</b>	<b>331</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,531</b>	<b>1,670</b>	<b>139</b>	<b>0</b>	<b>139</b>
<b>Corporate</b>										
115 Contingency	200	0	0	0	(200)	0	0	0	0	0
116 Invest to Save - Bid Allocation for small schemes	500	0	0	0	(500)	0	0	0	0	0
117 City Deal - Cardiff Share	1,198	1,276	0	0	0	2,474	0	(2,474)	0	(2,474)
118 CCRC Housing Investment Fund	0	0	0	0	5,000	5,000	5,000	0	0	0
119 Loan to Cardiff City Transport Services Ltd	(2,000)	2,000	0	0	0	0	0	0	0	0
<b>Total Corporate</b>	<b>(102)</b>	<b>3,276</b>	<b>0</b>	<b>0</b>	<b>4,300</b>	<b>7,474</b>	<b>5,000</b>	<b>(2,474)</b>	<b>0</b>	<b>(2,474)</b>
<b>TOTAL RESOURCES</b>	<b>1,098</b>	<b>3,607</b>	<b>0</b>	<b>0</b>	<b>4,300</b>	<b>9,005</b>	<b>6,670</b>	<b>(2,335)</b>	<b>0</b>	<b>(2,335)</b>
<b>TOTAL GENERAL FUND</b>	<b>83,414</b>	<b>26,021</b>	<b>(2,102)</b>	<b>0</b>	<b>70,022</b>	<b>177,355</b>	<b>122,896</b>	<b>(56,862)</b>	<b>2,403</b>	<b>(54,459)</b>
<b>PUBLIC HOUSING (HRA)</b>										
120 Housing Development	0	0	0	0	0	0	504	504	0	504
121 Estate Regeneration and Stock Remodelling	3,250	0	0	0	0	3,250	2,656	(594)	0	(594)

**CARDIFF COUNCIL CAPITAL PROGRAMME 2019-2020**

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	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
122 External and Internal improvements to buildings	13,550	4,026	(4,026)	(350)	0	13,200	10,377	(2,823)	0	(2,823)
123 Disabled Facilities Service	2,900	0	0	350	0	3,250	3,513	263	0	263
124 The Parade	0	0	0	0	0	0	145	145	0	145
125 Housing New Builds & Acquisitions	27,685	5,943	(5,943)	0	0	27,685	24,326	(3,359)	0	(3,359)
<b>TOTAL PUBLIC HOUSING</b>	<b>47,385</b>	<b>9,969</b>	<b>(9,969)</b>	<b>0</b>	<b>0</b>	<b>47,385</b>	<b>41,521</b>	<b>(5,864)</b>	<b>0</b>	<b>(5,864)</b>
<b>TOTAL</b>	<b>130,799</b>	<b>35,990</b>	<b>(12,071)</b>	<b>0</b>	<b>70,022</b>	<b>224,740</b>	<b>164,417</b>	<b>(62,726)</b>	<b>2,403</b>	<b>(60,323)</b>

**CYNGOR CAERDYDD**

**CARDIFF COUNCIL**

**COVID-19 SCRUTINY PANEL**

**14 July 2020**

**Re-Procurement of Former National Procurement Service (NPS) Collaborative Construction and Civils Consultancy Frameworks**

**Purpose of the Report**

1. To advise the Panel of a proposal for the Council to re-procure three existing construction and civils consultancy frameworks, and for its Commissioning and Procurement team to take on the hosting arrangements for the subsequent frameworks put in place.

**Structure of the Papers**

2. The Cabinet report attached at **Appendix A** will be considered on 16<sup>th</sup> July 2020.

**Scope of the Scrutiny**

3. This is an operational matter. The Cabinet is requested to approve the Council's Commissioning and Procurement team to re-procure arrangements to secure a compliant procurement route for construction and civils consultancy commissions for use by all public sector bodies in Wales. As such the Panel may wish to test how the Council will benefit from taking the lead in this re-procurement and how effectively it will support the Council's own requirements.

## **Background**

4. The Covid-19 Scrutiny Panel Terms of Reference require that it undertakes measured and proportionate scrutiny of all Cabinet decision-making reports during the current emergency period. The Panel's comments and recommendations are then formally relayed to the Cabinet to inform its decision taking on the matter scrutinised.
5. In 2018 the WLGA established a Heads of Procurement network to provide support for all Welsh Local Authorities following notification from Welsh Government that the National Procurement Service (NPS) would cease to operate in its present form. Its aim is to promote and retain Local Government procurement expertise.
6. Cardiff Council currently uses three construction consultancy frameworks compliant with EU Procurement directives and the Wales Procurement Policy Statement that were originally procured by NPS for its third party construction consultancy spend of around £2.2m annually.

## **Issues identified in the Cabinet Report**

7. The report attached addresses matters of governance, community benefits, lessons learned, and an evaluation structure. The Commissioning and Procurement team intend to create a client user forum to engage with users of the proposed framework in order to drive continuous improvement.
8. Clarity on the cost to the Council of hosting the proposed collaborative framework is explained. The framework will apply a levy recovery model, whereby each project will generate a levy as a percentage of its value. The WLGA Heads of Procurement network has agreed that the existing levy of 0.45% will continue. This will ensure that hosting the service is cost neutral to the Council acting as the contracting authority, whilst providing the relevant resources to administer develop and promote the use of the framework going forward.
9. The report explains that to date the NPS construction consultancy framework has not focused on community benefits or social value delivery and this will become a key focus for the re-procurement exercise.

10. The proposed collaborative construction consultancy framework is for use by all public bodies within the Cardiff City Region boundary and therefore has the added benefit of providing a compliant procurement route for future City Region funded construction infrastructure projects.

### **Proposed Recommendations to Cabinet**

11. The report highlights that all council directorates will be able to utilise the proposed framework for construction consultancy, driving efficiencies whilst contributing the wider collaborative public sector agenda. Cabinet is therefore recommended to:-

- Agree in principle to the commencement of the re-procurement of the current National Procurement Service (NPS) Construction and Civils Consultancy Framework and take on the hosting arrangements for the subsequent arrangement (as detailed in this report) and
- Delegate authority to the Corporate Director Resources, in consultation with the Cabinet Member for Finance, Modernisation & Performance, to carry out all aspects of the procurement, (including setting the evaluation methodology, commencing procurement and award of successful consultants to the framework) and thereafter to host and deal with the operation of the framework arrangements, including any ancillary matters relating thereto.

## **Way Forward**

12. To assist Members in scrutinising the proposal, in attendance will be Councillor Chris Weaver, Cabinet Member Finance Modernisation and Resources, Chris Lee, Corporate Director Resources, and Chris McClelland, Senior Category Manager.

## **Legal Implications**

13. 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 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 of 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**

14. 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**

The Panel is recommended to

- I. Note the proposal for the Council's commissioning and procurement team to commence re-procurement of the construction consultancy framework, taking on all-Wales hosting arrangements; and the delegation of authority to the Corporate Director Resources in consultation with the Cabinet Member for Finance, Modernisation & Performance, to carry out all aspects of the procurement.
- I. Consider whether it wishes to pass on any comments, concerns, observations or recommendations to inform Cabinet's decision on the matter.

**DAVINA FIORE**

Director, Governance & Legal Services

10 July 2020

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**RE-PROCUREMENT OF FORMER NATIONAL PROCUREMENT SERVICE (NPS) COLLABORATIVE CONSTRUCTION AND CIVILS CONSULTANCY FRAMEWORKS**

**FINANCE, MODERNISATION AND PERFORMANCE: CHRIS WEAVER**

**AGENDA ITEM: 5**

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**Reason for this Report**

1. Cardiff Council has been using three existing construction and civils consultancy frameworks let by Welsh Government's National Procurement Service (NPS) as the go-to procurement route for a large proportion of its third party construction consultancy (built environment and Highways) spend (£2.2m) on an annual basis.
2. Two of these arrangements are shortly due to expire and due to Welsh Government's re-organisation of the National Procurement Service (NPS) to a smaller internal contracting body, these arrangements were not going to be renewed.
3. In order to support the Cardiff Council's own requirements and provide the council with a compliant procurement route for construction and civils consultancy commissions, Cabinet is requested to approve the Council's Commissioning and Procurement (C&P) team to re-procure these arrangements on a collaborative basis.
4. As per the existing National Procurement Service (NPS) arrangements, a levy fee (0.45%) will be payable on all spend going through the arrangements in order to fund a post within the Council's Commissioning and Procurement (C&P) team to support the ongoing administration. A key driver of the WLGA Heads of Procurement network is the promotion and retention of Local Government Procurement expertise; as such, the arrangements will be open for use by the public sector on an all Wales basis.

**Background**

5. In September 2018, the First Minister published a written statement informing Local Government that the National Procurement Service (NPS) would cease to operate in its current form.

6. In response to the change in policy direction, the Welsh Local Government association (WLGA) set up a Heads of Procurement (HoP) network, consisting of a nominated lead officer from each organisation. The HoP network supports collaborative procurement and the promotion of good practise in procurement. Cardiff Council's Head of Procurement chairs this group.
7. The HoP network has established three regional delivery groups consisting of North Wales, South West and Mid Wales and South East Wales. A key principle being the creation of regional category centres of excellence with the flexibility to provide all-Wales procurement arrangements where required. The HoP network felt the South East Wales delivery group has the relevant expertise based on Cardiff's Commissioning and Procurement (C&P) team's success with the re-procurement of both construction ([www.sewscap.co.uk](http://www.sewscap.co.uk)) and Civils ([www.sewh.co.uk](http://www.sewh.co.uk)) frameworks in 2018/9 .
8. The existing Construction Consultancy framework's offers a swift route to market that are compliant with EU Procurement directives and the Wales Procurement Policy Statement including delivering on many of the requirements within The Wellbeing of Future Generations Act. The frameworks have been used by Local Authorities and Welsh Government and associated bodies since their inception in 2015/6.
9. Key to the success of the framework is the option for a flexible approach for clients, encouraging early consultant involvement, focusing on developing client/contractor relationships that improve value for money through reduced time to market, duplication of processes, development of common standards and sharing of best practise that seeks to drive innovation.

<b>NPS Construction Consultancy Spend</b>	<b>Value</b>
Welsh Government	£18,632,467
Natural Resources Wales	£ 9,777,046
Monmouthshire County Council	£ 2,258,231
Cardiff Council	£ 2,200,924
WGSB's (Other)	£ 973,135
Neath Port Talbot County Borough Council	£ 520,830
Newport City Council	£ 337,432
Natural Resources Wales	£ 246,266
Caerphilly County Borough Council	£ 237,517
Conwy County Borough Council	£ 129,656
Gwynedd Council	£ 126,412
Coleg y Cymoedd	£ 118,520
<b>TOTAL</b>	<b>£41,260,395</b>

10. Cardiff Council is the fourth largest user by spend in terms of value on the current Construction consultancy Framework. However the Council's spend on Construction consultancy is much larger (£8mpa,) currently spread across a number of consultancy frameworks let by buying groups and purchasing organisations not based in Wales. The opportunity to let a collaborative agreement that consolidates this spend via one procurement route should

drive economies of scale and improved cost efficiency for Council directorates.

## Issues

### Governance

11. It is intended to create a client user forum to engage with users of the framework in order to drive continuous improvement. The forum will ensure both participating authorities and consultants work within the principles of the framework:
  - a. Work together and with the potential clients and their prime contractors in good faith and in a spirit of mutual trust and co-operation.
  - b. Act in a co-operative and collaborative manner so as to achieve and advance the relevant construction project and provision
  - c. Share information honestly and openly: and Highlight and difficulties at the earliest possible opportunity
12. The current NPS Construction consultancy framework operates through a Levy recovery model, where each call-off project generates a Levy as a percentage of its value. The current (0.45%) levy will be carried forward with the re-procurement having been agreed by the WLGA Heads of Procurement network. The net effect should be cost neutral to Cardiff Council acting as contracting authority, whilst providing the relevant resources to administer develop and promote the use of the framework going forward.
13. The proposed framework Levy recovery process works in the following way;
  - The result of all call-off contracts and direct awards are notified to the Framework team by the Framework users.
  - The Authority invoices the consultant quarterly for the calculated levy based on the contract value awarded during the preceding 3 months.
  - Based on a comparison with Crown Commercial Services, ESPO, YPO, and Bloom Procurement Services levy rates in the market vary from 0.5-5%. Based on this comparison, a levy of 0.45% provides a competitive rate for Welsh based public sector clients to utilise this arrangement.

### Community Benefits

14. To date the current NPS let Construction Consultancy framework has not focused on community benefits or social value delivery which will be a key focus for the re-procurement exercise.
15. As part of the Council's Capital Ambition, and Socially Responsible Procurement Policy, the new Construction Consultancy framework will seek to incorporate a number of the deliverables that seek to support the skills shortage across Construction but will look to focus consultant activity across the following priority areas:-

- **Local Training and Employment:** We want to create employment and training opportunities for local people in order to reduce unemployment and raise the skills level of our local workforce, especially in target groups such as long term unemployed
  - **Think Cardiff City Region First:** We want to take account of the social and economic impacts of buying locally when commissioning and contracting, and want our suppliers and contractors to do the same
  - **Partners in Communities:** We want to play an active role in the local community and community support organisations, especially in those areas and communities with the greatest need
  - **Green and Sustainable:** We want to protect the environment, minimise waste, reduce energy consumption and use other resources efficiently.
  - **Ethical Employment:** We want to employ the highest ethical standards in our own operations and those within our supply chain.
  - **Promoting Wellbeing of Young People and Vulnerable Adults** We want to safeguard and promote the welfare of children, young people and vulnerable adults businesses together with the support of entire community including local businesses
16. Additionally the Cardiff Capital City Region Deal will promote a joint working agreement that represents a fundamental shift in the way in which local government in the city region collaborates in future across areas of economic development, skills and training, regeneration, strategic planning, housing and transport. The availability of a collaborative construction consultancy framework for use by public bodies across the Cardiff City Region boundary provides a compliant procurement route for future City Region funded construction infrastructure projects.
17. Delivery of this re-procurement will support the WLGA Heads of Procurement (HoP) network key principles that include :-
- a. New arrangements must support an investment in Local Government Procurement to deliver for Future Generations
  - b. Local Government collaborative procurement activity across Wales should be coordinated through the WLGA Heads of Procurement Network
  - c. The Network to develop and 'own' an All-Wales Local Government Sourcing Plan and Contract Forward Plan
  - d. Local Government to deliver collaborative contracts through three Regional Delivery Groups to include South West and Mid Wales, North Wales and South East Wales
  - e. Where appropriate contract delivery would be allocated and delivered through Regional Category Focused Centres of Expertise with flexibility to provide All-Wales contracts where appropriate
  - f. Contracts would continue to apply a levy, which would be used to fund the retention and growth of procurement capacity and expertise across the Welsh Public Sector.
  - g. Levy would be managed on an Open Book basis and excess used to fund category development

## Lessons Learnt

18. A lessons learnt exercise has been conducted with recommendations from consultants and local authority users in order to make improvements to the new framework across the following areas:-
- i. Reflect local authority boundaries in line with the Cardiff City Region and existing Construction frameworks i.e. South East Wales, South West Wales and North Wales.
  - ii. Standardisation of specialist lots currently split across two frameworks; intend to procure one new framework with a reduced number of specialisms (still covering the core LA requirements.)
  - iii. Large Consultancy firms appear across numerous lots reducing potential for competition, consideration of restricting number of lots consultants can be appointed against in order to promote SMEs for lower value lots
  - iv. Introduce relevant community benefits targets that seek to develop beyond targeted recruitment and training and promote use of supported social enterprises and locally sourced materials across geographic boundaries within their supply chains
  - v. Current Direct Award Provision (£25k) seen by clients as too low for the number of urgent commissions, based on a published day rate card at framework award this level is proposed to be increased to £150k. Client bodies will need to use their discretion when using the Direct Award route and work within their own procurement standing rules.
  - vi. Currently the recommended Cost / Quality evaluation weighting is 50/50 when appointing contractors from the framework at further mini competition. Need to further enable focus on quality to suggested 70/30 in order to promote sustainability over framework lifecycle and remove “race to the bottom” price focus.
  - vii. Need to improve standardisation and call-off documents and procedures including use of templates

## Evaluation Structure

19. It is intended that the proposed lotting structure taking on board the lessons learnt will consist of a single specialism per lot, a review has been undertaken simplifying the structure (from 96 lots across the two existing frameworks to 21 lots on the new framework.) Feedback from key users has specified a minimum of 7-10 consultants be appointed per lot. It is intended that the evaluation weighting may remain at 50% Cost and 50% quality at framework award, pending final customer / market review.
20. One of the reasons there was such a high number of lots was the fact lots were geographically split and priced accordingly, it is therefore proposed each specialist lot will have a simple rate card incorporating three prices based on geography i.e. South East Wales, West Wales and North Wales.
21. A flexible approach for contracting bodies will continue through the use and promotion of either NEC4 (New Engineering Construction Contract) Professional Service Contract (PSC) and JCT (Joint Contracts, Tribunal) forms of contract. This approach will provide users with the ability to use a

menu of contracting forms to enable them to construct fit for purpose commercial arrangements that suit the nature of the contract e.g. risk allocation and options chosen. Greater clarity and simplicity is achieved from clear roles and responsibilities together with definitions for compensation events. Greater stimulus for good project management is promoted with contracting parties due to the use of standardised documents with obligations clearly understood by the contracting market.

22. A full review of the current framework KPI's are under consideration, particular attention is currently focused on contractor obligations to participate once on the framework (failure to bid in mini - competitions) and potential for suspension.
23. In order to drive customer satisfaction and promote usage it is planned to introduce a post project review where users are asked to try to compare the initial project objectives against the final project achievements and the consultants' contribution in achieving this. The following factors will be recorded:
  - Time
  - Cost (Budget versus Outturn, Claims / Added value)
  - Quality
  - Client satisfaction

#### **Reason for Recommendations**

24. Cardiff Council spends in excess of £2.2m per annum on Construction related consultancy and requires an efficient value adding procurement vehicle. With the ability of the Council's own Commissioning and Procurement team to let and manage a collaborative future framework, council directorates will be able to utilise the future go-to framework for Construction consultancy driving efficiencies whilst contributing the wider collaborative public sector agenda.

#### **Financial Implications**

25. A levy at the rate of 0.45% would be payable on expenditure incurred through the arrangements. This would generate an income stream for the Council, to support associated workload requirements. The income stream has the potential to vary. Whilst this could represent a degree of risk to the Council, based on current levels of framework spend, it is not considered significant. Any risk is further mitigated by the intention to cover workload through existing posts in the first instance, before reviewing the potential creation of additional posts in line with ongoing framework spend.

#### **Legal Implications**

26. As set out in the report, the recommendation is to commence a procurement to set up a framework on behalf of Cardiff and other bodies. It is understood that the value of such framework is over the EU procurement threshold and accordingly, the full ambit of the Public Contract Regulations apply and to that end it is noted that the Directorate intends for follow a full blown

competitive tender exercise. Ongoing legal advice should be sought in relation to the procurement.

### **Equality Duty**

27. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of ‘protected characteristics’. The ‘Protected characteristics’ are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief. Legal Services are instructed that an Equalities Impact Assessment will be attached to the delegated report under recommendation 2 of the report.

### Well Being of Future Generations (Wales) Act 2015

28. The Well-Being of Future Generations (Wales) Act 2015 (‘the Act’) places a ‘well-being duty’ on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
29. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff’s Corporate Plan 2019-22. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
30. The well being duty also requires the Council to act in accordance with a ‘sustainable development principle’. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory

Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

#### General

31. The decision maker should be satisfied that the procurement is in accordance within the financial and budgetary policy and represents value for money for the council.
32. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

#### **HR Implications**

33. There are no HR implications for this report.

#### **Property Implications**

34. There are no Property implications for this report.

#### **RECOMMENDATIONS**

Cabinet is recommend to:-

1. Agree in principle to the commencement of the re-procurement of the current National Procurement Service (NPS) Construction and Civils Consultancy Framework and take on the hosting arrangements for the subsequent arrangement (as detailed in this report) and
2. Delegate authority to the Corporate Director Resources, in consultation with the Cabinet Member for Finance, Modernisation & Performance, to carry out all aspects of the procurement, (including setting the evaluation methodology, commencing procurement and award of successful consultants to the framework) and thereafter to host and deal with the operation of the framework arrangements, including any ancillary matters relating thereto.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Christopher Lee</b>
	Date submitted to Cabinet office