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AGENDA

Committee	POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE
Date and Time of Meeting	TUESDAY, 10 NOVEMBER 2020, 4.30 PM
Venue	REMOTE MEETING
Membership	Councillor Walker (Chair) Councillors Ahmed, Berman, Bowen-Thomson, Cowan, Henshaw, Lister and Mackie

*Time
approx.*

1 **Committee Membership**

To advise Committee that Council on 22 October 2020, appointed Councillor Jayne Cowan to the Policy Review and Performance Scrutiny Committee.

2 **Apologies for Absence**

To receive apologies for absence.

3 **Declarations of Interest**

To be made at the start of the agenda item in question, in accordance with the Members' Code of Conduct.

4 **Minutes** (Pages 5 - 8)

To approve as a correct record the minutes of the previous meeting.

5 **Budget Monitoring - Month 6 Report 2020/21** (Pages 9 - 86) 4.30 pm

Comfort Break - 5 mins

6 **Willcox House Relocation** (Pages 87 - 200) 5.30 pm

Pre-decision Scrutiny of Cabinet decision

7 **Committee Business** (Pages 201 - 210) 6.15 pm

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

8 Urgent Items (if any)

9 Way Forward

6.30 pm

To review the evidence and information gathered during consideration of each agenda item, agree Members comments, observations and concerns to be passed on to the relevant Cabinet Member by the Chair, and to note items for inclusion on the Committee's Forward Work Programme.

10 Date of next meeting - 4.30pm 8th December 2020

Davina Fiore

Director Governance & Legal Services

Date: Wednesday, 4 November 2020

Contact: Andrea Redmond, 029 2087 2427, kate.rees@cardiff.gov.uk

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POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

13 OCTOBER 2020

Present: Councillor (Chairperson)
Councillors Ahmed, Berman, Bowen-Thomson, Lister, Mackie
and McKerlich

1 : APOLOGIES FOR ABSENCE

Apologies were received from Councillor Jane Henshaw.

2 : DECLARATIONS OF INTEREST

No declarations of interest were received.

3 : MINUTES

The minutes of the meeting held on 15 September 2020 were approved by the Committee as a correct record.

4 : CARDIFF CITY TRANSPORT SERVICES

The Committee received a report setting out the Cabinet's proposals to invest in Cardiff City Transport Services Limited and to secure the continuity of bus service provision in the City.

Members were advised that Annexe A and Appendices 1 to 8 to the report are not for publication as they contain exempt information of the description contained in paragraphs 14 (Information relating to the financial or business affairs of any particular person {including the authority holding that information}) and 21 (public interest) of Schedule 12A of the Local Government Act 1972.

Appendix 6 to the report is not for publication as it contains exempt information of the description contained in paragraph 16 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of Schedule 12A of the Local Government Act 1972.

RESOLVED – That the public be excluded from the meeting at this point during consideration of this item as the Committee discussed exempt information of the description contained in paragraph 14 and paragraph 16 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972. The public may be excluded from the meeting by resolution of the Committee pursuant to Section 100A(4) of the Local Government Act 1972 during discussion of this item.

RESOLVED – That the Chairperson writes to the Cabinet Member of behalf of the Committee to convey their comments.

5 : HOME & AGILE WORKING

The Committee received a report providing Members with a policy development briefing on the Council's home working and agile working arrangements and future

challenges following the Covid-19 pandemic. Members were given an opportunity to consider the Council's approach and specifically examine the delivery of services during the pandemic; understand the elements of those working arrangements; and identify opportunities for task and finish work that could inform the evolving approach to workforce planning.

Members were advised that in June 2020 the Cabinet considered a report entitled 'Restart, Recover, Renew' which addressed the immediate strategic issues facing the Council as it re-introduced Council services. The report set out a three-stage approach to the easing of lockdown and the ongoing Covid-19 crisis. The three elements were outlined as:

- Restart: Restarting and adapting a wide range of council services in the context of extended stringent social distancing requirements, in tandem with the evolution of national advice.
- Recover: Implementing a strategic response to help the city recover from the immediate crisis while adapting to an extended period of social distancing.
- Renew: Working closely with city partners, staff and citizens to set out the future we want for Cardiff post-crisis and how, together, we will make it happen.

Following the Committee's consideration of the 'Restart, Recover, Renew' report the Chairperson requested a written update on the issue of remote working. In response officers provided the summary attached at Appendix A of the report.

The Chairperson welcomed Councillor Chris Weaver, Cabinet Member for Finance, Modernisation and Performance; Paul Orders, Chief Executive; Chris Lee, Corporate Director Resources; Isabel Bignall, Chief Digital Officer; Donna Jones, Operational Manager, Health and Safety; Tracy Thomas, Acting Head of Human Resources; and Phil Bear, Head of ICT.

The Cabinet Member made a brief statement and wished to put on record his thanks to the officers for the work they did at the start of the crisis to enable the major shift towards home and agile working. The Cabinet Member invited the Committee to consider what follows the Covid-19 crisis in terms of the opportunities for home and agile working.

Officers were invited to deliver a brief presentation on the home working model, the key services that enabled that to happen, the Council homeworking policy framework and the key principles emerging.

Members were invited to comment, raise questions or seek clarification on the information received. Those discussions are summarised as follows:

- A Member asked whether the authority has the leadership, management supervision and performance management systems in place to manage the homeworking scenario effectively. The Cabinet Member considered that the crisis had demonstrated that there is strong leadership in the Council. However, it was fair to challenge the Senior Management Team in order to assess that. The Chief Executive considered that the performance of the organisation over the past six months had been highly corporate. There has been substantial cross-directorate working and the organisation has overwhelmingly achieved what has been asked

of it. Some issues have been identified in terms of management supervision but managers are managing staff well in terms of their outputs. Good industrial relations have also allowed the authority to deploy staff flexibly in order to address emerging issues. The Chief Executive accepted that the authority would need to further develop its performance management systems.

- The Acting Head of Human Resources stated that more work needed to be done to help staff understand how to work differently. In addition to the homeworking policy there will be mechanisms put in place to support it. For instance, managers and staff have been provided with a 'Homeworking Etiquette' document. A management development exercise is needed focussing on the differences between managing staff in an office environment compared to managing staff remotely. One of the biggest culture changes in this regard will be managing the outputs of staff.
- Members asked how managers are to marry their support to staff in terms of their health and wellbeing against their performance in terms of output and the fact that the two issues may be interlinked. The Chief Executive welcomed the comments and supported the view that health and wellbeing and performance are interlinked. The authority has restarted the PPDR process which provides an opportunity for supportive conversations between management and staff. There is also an increasing emphasis on staff wellbeing sessions and the counselling service. The Operational Manager Health and Safety provided a summary of the position in terms of health and wellbeing and the organisational approach to supporting staff. The officer supported the view that at the end of a prolonged crisis, such as the coronavirus pandemic, staff will need additional support in terms of their health and wellbeing, particularly mental health issues. A small number of staff are already receiving support because they have been shielding or are medically vulnerable and have felt isolated.
- The Chief Executive stated that one of the challenges facing the authority in policy terms was getting the balance right between agile working and time in the core office accommodation.
- A Member asked whether the authority was undertaking assessments of personal circumstances, as there would be some staff who may not be able to work from home due to any number of personal or domestic reasons. Those staff may be reluctant to bring those issues to the attention of the employer. The Operational Manager Health and Safety stated that the homeworking survey undertaken included a number of questions around personal circumstances. It was accepted that some staff were unable to accommodate homeworking. Assessments are being undertaken. Some staff have been brought back into the workplace because their home environment is unsuitable. A Homeworking Project Group has been established where representatives from each service area are able to share experiences and good practice.
- The Chief Digital Officer provided an overview of the achievements made in terms of providing staff with ICT equipment and the systems supporting home working whilst transitioning to agile working over a very short timeframe. The Corporate Director Resources stated that some of the cost has been offset by the Welsh Government's Covid Recovery Fund. The Head of ICT advised Members that

there has been a move towards mobile enabled equipment in recent years. At present 58% of staff have mobile enabled kit that support agile working.

- A Member asked whether, in order to support health and wellbeing of their staff, managers are encouraging staff to take their annual leave and not work longer hours etc. The Chief Executive stated that the Senior Management Team is focussing on that precise issue. The Operational Manager of Human Resources advised that staff will be permitted to carry over additional annual leave at the end of the leave year. SMT have received a report on identifying how much leave has been taken and booked across every service area. Managers discuss how best to encourage their staff to take annual leave and spend some time away from work.
- Officers confirmed that long-term agency staff have continued to be paid during the pandemic. Other agency staff are also paid if they have symptoms or are required to self-isolate so that they don't feel that have to come into work.
- Members asked whether there have been any developments in terms of the Core Office Strategy. The Chief Executive advised that there are a number of workstreams relating to that strategy, some of which have been discussed. Modelling and a discussion now needs to be undertaken in relation to agile working policy and the implications for the core office accommodation. A report on the core office accommodation issue is anticipated to be brought forward in December or January. The Chief Executive considered that the experience the authority has had during the year will have implications for the strategy.

RESOLVED – That the Chairperson writes to the Cabinet Member of behalf of the Committee to convey their comments.

6 : WORK PROGRAMMING 2020/21

RESOLVED – That the Committee:

- (1) notes the schedule of Policy Review & Performance (PRAP) Scrutiny Committee meeting dates for 2019/20;
- (2) agreed that an informal task and finish research exercise proceeds, focusing on remote/home working;
- (3) approves the continuation of the Committee's Performance Panel, an extension of the Panel's work, and agree nominations to the Panel.

7 : URGENT ITEMS (IF ANY)

No urgent items were presented.

8 : DATE OF NEXT MEETING - 4.30PM 10TH NOVEMBER 2020

The meeting terminated at 7.00 pm

**CYNGOR CAERDYDD
CARDIFF COUNCIL**

POLICY REVIEW & PERFORMANCE

SCRUTINY COMMITTEE

10 November 2020

Budget Monitoring Report 2020/21 - Month 6

Reason for the Scrutiny

1. To provide Members with an update on the Council's financial position at Month 6 of 2020/21, allowing the Committee an opportunity to monitor the position prior to the November 2020 Cabinet meeting.

Background

2. The Terms of Reference of the Policy Review and Performance Scrutiny Committee include overarching responsibility for monitoring the whole of the Councils budget, both *revenue* and *capital* budgets. In addition it has responsibility for monitoring specific service areas. For revenue budget monitoring purposes, those services fall within the *Corporate Management, Economic Development* (Corporate Landlord, Strategic Estates, Facilities and Operational Management), *Communities & Housing* (Performance & Partnerships), *Governance & Legal Services*, and *Resources* (Finance, Digital Services, Customer Services, Human Resources, Commissioning & Procurement) Directorates.

Structure of the Papers

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

Appendix A – Cabinet report – Budget Monitoring Report– Month 6 2020/21

Appendix 1 – Revenue Monitoring Position

Appendix 2 – Directorate Commentaries

Appendix 3 – 2020/21 Budget Savings Position

Appendix 4 – Capital Programme Summary

Appendix 5 – Capital Schemes Updates

4. The report to Cabinet continues in a format that enables the pressures arising from the ongoing Covid-19 pandemic to be clearly set out. The financial pressures arising from responding to the crisis are explained separately from those relating to operational service delivery. The financial impact is outlined in terms of *additional expenditure, reduced income generation* and the *Welsh Government (WG) funding response* to these. The unfunded impacts of Covid-19 are also set out in the overall revenue position.

Financial Impact of Covid-19 Pandemic

5. The financial impact of Covid-19 on the Council up to September 2020 is set out in **points 3-11** of the Cabinet report attached at **Appendix A**. This includes additional expenditure such as the procurement of personal protective equipment (PPE), social distancing and infection control measures, support for providers and suppliers, support for vulnerable citizens, and staffing costs to provide cover for employees who have had to shield or self-isolate. It also includes income losses due to closed venues, unused car parks and services, such as school catering and trade waste, not operating.
6. Specifically, the month 6 report provides the following information:
 - WG funding of **£511m** is available through the Local Government Hardship Fund, access to which requires the Council to submit monthly expenditure claims and quarterly income claims. The Council's expenditure peaked in June 2020 and to date the Council has submitted claims to WG totalling **£32.049m** (see points 4-5)
 - An overview of the Council's expenditure claims to September 2020 can be found at point 5, and the status of claims to August 202 at point 6.
 - An overview of the Council's claims for lost income totalling **£13,351m** can be found at point 8.

- WG has reimbursed income in three tranches
 - T1 - an early payment in relation to income issues being commonly experienced across all local authorities
 - T2 & 3 - income losses more specific to individual councils
7. It remains unclear what percentage cover WG will provide for both ongoing additional expenditure and loss of income, therefore the projected directorate positions included within the Cabinet report do not incorporate the potential Covid-19 related pressures that may occur during the remainder of the year. A table at point 10 indicates the projected costs and loss of income based on WG support at 25%, 50%, 75% and 100%. The worst case scenario estimates that the Council could face additional costs of **£28,886m** if it has to meet 100% of these costs itself.

Revenue budget

8. The 2020/21 month 6 budget monitoring report (**Appendix A**) sets out the revenue position (points 12-22). At month 6 a net overspend of £ **£1.133m** is projected for the end of the 2020/21 financial year. This position is detailed in **Appendix 1 to Appendix A** and sets out a **total directorate net overspend of £4.233m** and a projected overspend of £300,000 in relation to Capital Financing, **partially offset by the £3m general contingency budget** and an overall underspend of £400,000 within the Summary Revenue Account. This position reflects **an improvement of £849,000 on the position reported at Month 4** and is primarily due to significant improvements in relation to Children's Services and Education & Lifelong Learning.
9. The report states that Covid-19, in terms of unrecoverable costs and income losses, has added £1.937m to the overall overspend with particular pressures evident in Children's Services, Corporate Management, Education & Lifelong Learning, Adult Services, Governance & Legal Services and Central Transport Services (point 15).
10. Directorate specific overspends and underspends are detailed in **Appendix 2 to Appendix A**. The main pressures relate to the additional cost and number of

residential and internal fostering placements within Children's Services, as well as additional expenditure in relation to agency staffing within that directorate.

Education is experiencing pressures in relation to Out of County Placements and School Transport; Adult Services with the Older Peoples' budget, and Governance and Legal Services continuing need to purchase external legal services. Central Transport Services has experienced lower income, and disallowed claims against the WG Hardship Fund has resulted in a Corporate Management overspend.

Savings

11. An overall shortfall of **£4.301m** is currently anticipated against the **£8.557m** directorate savings target for 2020/21; more details are provided in **Appendix 3** of the report to Cabinet.

12. When the 2020/21 budget was set savings proposals were split into three categories, *efficiencies*, *income generation* and *service change*. In the case of efficiency proposals, the majority are projected to be achieved, with an overall shortfall of £608,000 against the target of £3.841m currently being reflected. However, in the case of income and service change proposals, the level of achievement has been more significantly impacted, with shortfalls of £1.668m (against a target of £2.541m) and £2.025m (against a target of £2.175m), respectively.

13. The pandemic has had the indirect impact of directorates not being able to fully deliver on savings proposals. Recognising that WG financial support was unlikely to cover the entire impact, the Council has taken a number of steps to minimise the impact. This includes furloughing staff from income generating services, (£1.709m) and asking directorates to review in-year budgets and identify savings, resulting in £3.130m of savings being incorporated in the month 6 monitoring report. Officers also continue to review earmarked reserves.

14. In terms of Council Tax Collection, a balanced position is currently being reported. This is because there continues to be a significant amount of uncertainty regarding likely collection rates throughout the remainder of the year

Contingency

15. Members should note that certain contributions from contingency budgets have been incorporated in the directorate positions. These include:
- a. a transfer from the Council Tax Reduction Scheme (CTRS) contingency of £3.042m, to meet the increasing demand from residents for financial support.
 - b. a £2.175m contingency in Children's Services to meet the additional costs arising from external placements

Ring fenced grant funded accounts

16. In respect of ring fenced grant funded accounts:
- a. The Housing Revenue Account (HRA) is projecting an in-year surplus of approximately £2.2m;
 - b. The Civil Parking Enforcement (CPE) reflects an in-year trading loss of £268,000, compared to the budgeted surplus of £8.022m
 - c. The Harbour Authority is projecting an overall deficit of £63,000.

Capital

17. Members will find detail of the Council's Capital Programme in **Appendices 4 and 5** of the papers The General Fund and Public Housing Capital Programme for 2020/21 have been revised from **£194.304m** to **£181.447m**. The projected outturn for the General Fund is currently **£102.341m** against a total programme of £124.672m, a variance of £22.331m, which is predominantly slippage. Capital expenditure at month 4 is **£29.839m**, with several large expenditure items likely to progress later this year. The Public Housing element of the capital programme is forecasting an overall slippage of **£1.802m**.

18. A number of specific WG grants in relation to the Covid-19 response have either been included in the programme or approved in principle, pending formal confirmation. These are for projects such as homelessness and transport infrastructure improvements.
19. Capital receipts contribute significantly to the Capital Programme. The annual property plan will highlight the impact of Covid-19 on the property market. The target was £41m, the forecast for receipts in 2020/1 was £7m from the disposal of land, of which £50,000 has been realised to date.

Recommendations to Cabinet

20. In considering this month 6 monitoring report the Cabinet is recommended to:
- Note the Covid-19 financial impact at Month 6 and the ongoing response to the emerging financial position.
 - Note the projected revenue financial outturn based on the projected position at Month 6 of the financial year.
 - Note the capital spend and projected position at Month 6 of the financial year.
 - Reinforce the requirement for all directorates currently reporting overspends, as identified in this report, to deliver against action plans to reduce their projected overspends.

Previous Scrutiny

21. The Committee considered the financial position at month 4 of 2020/21, following which Members raised the following concerns with the Cabinet:

- The importance of governance processes in place to ensure WG claims are fit for purpose, noting that the accountancy service is providing advice to service areas to ensure claims are worded appropriately and that there are discussions at an all-Wales level to ensure consistency across local authorities.
- That the three largest claims not reimbursed from the Covid-19 funding routes are: claims relating to the Council's Leisure Services partners, GLL and Parkwood; claims for funding the Legionella tests required to reopen schools and other public buildings safely following closure for several months; and a claim relating to Cardiff Bus, which is being pursued via alternative funding routes.
- That at month 4 £608,000 efficiency savings may not be achieved despite officers working hard to identify part-year savings and alternative in-year savings. Members were concerned that the savings achieved to date, some of which rely on vacancy savings, would put additional pressures on staff and services already stretched from responding to the Covid-19 pandemic. The committee emphasised the vital importance for the organisation, and accountable individuals within it, of achieving agreed budgets and targeted savings and efficiency goals, at a time of unprecedented economic and financial pressures.
- The importance of monitoring budget trends, monthly monitoring of Covid-19 related costs and monthly reports to Directors.
- Requested that any significant changes or overspends be brought to the attention of this committee and all Members.

Way Forward

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

Legal Implications

23. 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

24. 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 Committee is recommended to:

- i. note the 2020/21 budget monitoring month 6 report;
- ii. consider whether it wishes to make any comments to the Cabinet; and

- iii. consider whether it wishes to use information contained in the report to inform future scrutiny items.

DAVINA FIORE

Director, Governance & Legal Services

4 November 2020

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BY SUBMITTING THIS REPORT TO THE CABINET OFFICE, I, (CHRISTOPHER LEE) (CORPORATE DIRECTOR RESOURCES) AM CONFIRMING THAT THE RELEVANT CABINET MEMBER(S) ARE BRIEFED ON THIS REPORT

**CARDIFF COUNCIL
CYNGOR CAERDYDD**

CABINET MEETING: 19 NOVEMBER 2020

BUDGET MONITORING - MONTH 6 REPORT 2020/21

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

AGENDA ITEM: X

Reason for this Report

1. To provide the Cabinet with details of the financial monitoring position for the authority as projected at the end of September 2020, compared with the budget approved by Council on 27th February 2020. This report includes the financial impact arising from the ongoing response to the COVID-19 crisis.

Background

2. Due to the ongoing COVID-19 pandemic, the financial context within which the Council is operating is significantly different when compared to previous years. Because of this, and in line with the approach taken at Month 4, this report takes a different format than usual, by setting out the pressures arising from responding to the crisis separately from those relating to operational service delivery. As such, the first part of the report addresses the financial impact of the crisis, both in terms of additional expenditure and reduced income generation, as well as the Welsh Government (WG) funding response to this. The report then provides details of the overall revenue position, including any unfunded impacts of COVID-19 and any emerging operational issues that have arisen for reasons other than the pandemic. An update on the actions taken by the Council in response to the emerging

financial position is then provided, followed by an update on the position in relation to the Capital Programme.

Issues

COVID-19 Financial Impact

3. The ongoing COVID-19 pandemic continues to have a significant financial impact on the Council. This is being evidenced through both additional expenditure pressures and reduced income generation across services. These additional expenditure pressures have varied in nature, but have included the procurement of personal protective equipment (PPE), social distancing and infection control measures, support for providers and suppliers, support for vulnerable citizens and staffing costs to provide cover for employees who have had to shield or self-isolate. In relation to income, losses have been experienced in a number of directorates, due to, for example, venues being closed to the public, car parks not being used and services, such as school catering and trade waste, not being in operation.
4. In response to these financial pressures, the Welsh Government (WG) has made various funding commitments to local authorities across Wales. To date, a total of up to £511 million has been committed via the Local Government Hardship Fund. Within this fund are earmarked sums for homelessness provision (£10m), free school meal provision (£52m), adult social care (£67m), excess deaths (£7m) and school cleaning (£25m). Also within this fund is £198 million to support ongoing income losses being experienced by local authorities, although it is expected that part of this particular sum will also be used by the sector to take advantage of opportunities for change that have arisen as a consequence of the pandemic. Other specific issues, such as school holiday childcare provision and the Council Tax Reduction Scheme (CTRS) are being supported, with the balance of funding available for more general financial support. This funding commitment is intended to cover the remainder of this financial year and in order to access funding, local authorities have been required to submit monthly expenditure claims and quarterly income claims.
5. This financial year to date, the Council has submitted expenditure claims to WG totalling £32.049 million, with the table below providing an overview of claims made to September 2020:

	April (£000)	May (£000)	June (£000)	July (£000)	Aug (£000)	Sept (£000)	Total (£000)
PPE	1,937	949	2,078	264	24	80	5,332
Free School Meals	721	1,220	785	629	1,061	199	4,615

Body Storage Costs	749	30	773	122	44	809	2,527
Homelessness	482	111	669	666	(213)	449	2,164
Adult Social Care	579	1,281	3,409	1,046	789	806	7,910
Waste	309	370	647	581	191	223	2,321
Supplier Relief	0	0	1,505	0	0	0	1,505
Other	424	566	2,773	167	687	1,058	5,675
Total	5,201	4,527	12,639	3,475	2,583	3,624	32,049

6. It can be seen from the table above that the expenditure incurred peaked during June 2020 and has reduced to a broadly consistent level since then. This is partly due to the Council moving beyond the initial crisis phase of the response, and some costs reducing as a consequence, but is also due, in part, to the WG reducing the scope of the general element of the Hardship Fund from July onwards. The table below provides an overview of the status of claims to August 2020, showing the amounts reimbursed by WG. The September claim is excluded as this has only recently been submitted and feedback from WG has not yet been received.

	April (£000)	May (£000)	June (£000)	July (£000)	Aug (£000)	Total (£000)
Total value of original claim	5,201	4,527	12,639	3,475	2,583	28,425
Amendment to claim	(376)	0	(505)	0	0	(881)
Funded/pursued via alternative source	0	(125)	(21)	(4)	0	(150)
Revised claim	4,825	4,402	12,113	3,471	2,583	27,394
Amounts currently held by WG	0	0	0	0	0	0
Amounts disallowed by WG / withdrawn	(41)	(58)	(1,150)	(237)	(78)	(1,564)
LA Contribution (e.g. 50% ICT)	0	(84)	(412)	(1)	(1)	(498)
Total reimbursed to date	4,784	4,260	10,551	3,233	2,504	25,332
Potential amount to be funded by LA	41	142	1,562	238	79	2,062

7. As can be seen from the table above, with the exception of June, each claim has largely been paid in full, with only some smaller items being disallowed by WG. Those items that have been disallowed by WG have been because

these were items that did not fit within the scope of the fund. In addition, an agreement was reached with WG that local authorities would contribute towards the cost of any new ICT equipment purchased, on the basis that this equipment would provide a benefit to the Council beyond the period of crisis. The June claim contained more items that were ultimately disallowed by WG, including some supplier relief paid, which is still being pursued via an alternative funding stream. Currently, no items are being held or queried by WG. It should also be noted that some items have been retrospectively withdrawn from the Council's claim, because alternative funding sources have become available.

8. In addition to the expenditure claims submitted between April and September, the Council has also submitted a claim for lost income, net of any expenditure savings made, covering the first quarter of this financial year. The table below provides a breakdown of the income loss included within that claim. As well as this, WG requested details on any income that may have been delayed in its receipt, but not permanently lost. The claim for the second quarter's income loss is due for submission to WG during November 2020.

Income Source	Lost Income (£000)	Savings on Lost Income (£000)	Net Income Loss (£000)	Delayed Income (£000)
Parking	3,872	(355)	3,517	
School Catering	3,021	(1,272)	1,749	
Waste Services	862	(95)	767	
Cultural Services	3,524	(845)	2,679	
Arts Venues	1,371	(482)	889	
Other	3,904	(154)	3,750	1,698
Total	16,554	3,203	13,351	1,698

9. The Council has now received a full response to its first income claim, with the table below providing an overview of the position. As can be seen, the claim has been reimbursed in three tranches, with the first tranche covering an early payment in relation to income issues being commonly experienced across all local authorities. As part of the Tranche 1 response, confirmation was provided that the claim made in relation to Arts Venues (St David's Hall and New Theatre) was to be considered under a separate scheme being administered by the Arts Council for Wales. In relation to this aspect, it has recently been confirmed that the bid to the Arts Council for Wales has been successful. Tranches 2 and 3 covered income losses that were more specific to individual councils or items that WG required more information on. The balance of £202,000 that remains held largely relates to income that WG believe is delayed, rather than permanently lost, and has therefore funded 50% currently, with the balance to be reviewed later in the year.

	Quarter 1 (£000)
Total value lost income	16,554
Savings on lost income	(3,203)
Net income lost	13,351
Reimbursed in Tranche 1:	
Parking	(3,517)
School Catering	(1,749)
Waste Services	(767)
Cultural Services	(2,679)
Pursued via alternative funding route:	
Art Venues	(889)
Reimbursed in Tranche 2	(2,989)
Reimbursed in Tranche 3	(559)
Balance currently held by WG	202

10. Any additional expenditure or income losses that the WG has decided not to fund will need to be met from existing Council resources and the relevant amounts are reflected within the projected directorate outturn positions that are outlined later in the report. Despite the various announcements that have been made regarding funding for local authorities, there remains a significant degree of uncertainty as to what cover WG will provide for both ongoing additional expenditure and loss of income. Because of this, the projected directorate positions included within the report do not incorporate the potential COVID 19-related pressures that may occur during the remainder of the year. Instead, because of the range of potential scenarios that could occur, the table below has been prepared to provide an indication of the financial impact that may result:

	Estimate (£000)	25% Council Cont (£000)	50% Council Cont (£000)	75% Council Cont (£000)	100% Council Cont (£000)
Projected Cost (October – March)	8,891	2,223	4,446	6,668	8,891
Projected Income Loss (Q2-Q4)	19,995	4,999	9,998	14,996	19,995
Total	28,886	7,222	14,444	21,664	28,886

11. As can be seen from the table above, the decisions made by WG, in respect of the level of financial support to be provided, will have a significant impact

on the overall Council financial position during 2020/21. Because of the large range in values between full WG financial support and zero WG support, it is not possible, with sufficient confidence, to be able to incorporate an absolute figure into the overall monitoring position at this time. However, as the year progresses, it will be possible to make projections with a greater level of confidence and this will be reflected in future monitoring reports.

Revenue Position

12. The overall revenue position reported in the paragraphs that follow primarily reflects projected variances that have arisen irrespective of the pandemic. The only COVID 19-related figures within these projections are where it is already known that certain items of additional expenditure or lost income are not likely to be funded by WG. In addition, these variances include shortfalls against 2020/21 budget savings proposals and any in-year savings or efficiencies that have been identified at this point of the year.
13. The overall monitoring position, as at Month 6, reflects a total net overspend of £1.133 million. This position is detailed in Appendix 1 and includes a total directorate net overspend of £4.233 million and a projected overspend of £300,000 in relation to Capital Financing, partially offset by the £3 million general contingency budget and an overall underspend of £400,000 within the Summary Revenue Account. This position reflects an improvement of £849,000 on the position reported at Month 4 and is primarily due to significant improvements in relation to Children's Services and Education & Lifelong Learning.
14. The table below provides a summary of the overall position and outlines the component parts of each directorate's total variance.

Directorate	COVID-19 Impact (£000)	Directorate Position (£000)	In-year savings (£000)	Total Variance (£000)
Corporate Management	1,000	0	0	1,000
Economic Development	69	(170)	(399)	(500)
Education & Lifelong Learning	124	1,850	(1,035)	939
People & Communities:				
Housing & Communities	21	(270)	(536)	(785)
Performance & Partnerships	1	(1)	0	0
Recycling & Neighbourhood	276	(276)	0	0
Social Services	124	3,509	(753)	2,880
Planning, Transport & Env	152	(61)	(91)	0
Resources:				
Central Transport Services	1	247	0	248
Governance & Legal Services	0	512	(11)	501
Resources	169	86	(305)	(50)

Total Directorate Position	1,937	5,426	(3,130)	4,233
Capital Financing	0	300	0	300
General Contingency	0	(3,000)	0	(3,000)
Summary Revenue Account	0	(400)	0	(400)
Total Council Position	*1,937	2,326	(3,130)	1,133

15. From the table above, it can be seen that the impact of COVID-19, in terms of unrecoverable costs and income losses, has added £1.937 million to the overall overspend (*it should be noted that the total held or disallowed by WG from the Hardship Fund includes amounts in relation to the Housing Revenue Account, delayed income and individual schools, which do not feature in the table above). It is, however, clear that non COVID-19 related issues are the main drivers behind the overall net overspend, with particular pressures evident in Children's Services, Corporate Management, Education & Lifelong Learning, Adult Services, Governance & Legal Services and Central Transport Services. Partly offsetting these pressures and overspends are in-year savings amounting to £3.130 million. These savings have been identified following a request for directorates to review their budgets and implement measures to reduce expenditure and increase income, wherever possible.
16. The specific overspends and underspends within each directorate's position are outlined in more detail within Appendix 2. However, the main pressures relate to the additional cost and number of residential and internal fostering placements within Children's Services, as well as additional expenditure in relation to agency staffing within that directorate. In addition, Education is experiencing pressures in relation to Out of County Placements, again both in terms of cost of individual placements and the overall number of pupils requiring specialist provision. In addition, there are underlying pressures evident within School Transport, due to the number of pupils with additional learning needs requiring transport. Within Adult Services, pressures are evident against the Older Peoples' budget, reflecting the inability to take forward savings proposals, increasing costs with respite care and previous reliance upon grant funding. The main reason for the overspend within Governance & Legal Services is the continued need for external legal services, particularly in relation to complex children's cases. In the case of Central Transport Services, the service is experiencing the knock on effects from COVID-19, including much lower vehicle usage and income recovery across services, and loss of external income during the period. The Corporate Management overspend is due to disallowed claims against the WG Hardship Fund.
17. As well as these specific pressures, there are pressures in most directorates arising from not being able to fully deliver the savings proposals agreed as part of the 2020/21 budget. In some cases, these shortfalls are the direct consequence of COVID-19, such as proposals centred on increased income generation at venues that have been closed during the period of lockdown. In other cases, there have been indirect consequences of the pandemic, such as the lockdown period making it challenging to progress staffing restructures, for example. As outlined in Appendix 3, there is an overall

projected shortfall of £4.301 million against the target of £8.557 million. At the time of setting the budget, the savings proposals were split into three categories (efficiencies, income generation and service change) and the level of performance varies significantly across the three categories. In the case of efficiency proposals, the majority are projected to be achieved, with an overall shortfall of £608,000 against the target of £3.841 million currently being reflected. However, in the case of income and service change proposals, the level of achievement has been more significantly impacted, with shortfalls of £1.668 million (against a target of £2.541 million) and £2.025 million (against a target of £2.175 million), respectively. These shortfalls are contained within each directorate's overall position and, in some cases, there will have been the opportunity to mitigate the impact via the COVID-19 Hardship Fund.

18. Although some directorates are presenting significant overspends, others are presenting underspends or balanced positions. The main underspends relate to Housing & Communities and Economic Development, who, once removing the potential impact of COVID-19 during the remainder of the year, are reporting sizeable underlying underspends. These positions are largely due to in-year savings against staffing budgets, due to vacancies, and anticipated underspends against one-off allocations made from the Financial Resilience Mechanism (FRM), as part of the 2020/21 budget. The Resources directorate is also projecting an underspend, again largely due to in-year staffing savings, as well as additional internal recharge income. Whilst other directorates, such as Planning, Transport & Environment, are reporting balanced positions, this is largely due to having managed emerging pressures within their overall budget by identifying in-year mitigations.
19. As well as the individual directorate variances, there are also some corporate variances contained within the position. The first of these is the Capital Financing overspend of £300,000. This budget supports the Council's Capital Programme and treasury management activities, including external interest payable, prudent provision for the repayment of any debt in line with Council policy, as well as interest earned on temporary investments. The position against the budget is impacted by a number of variables such as interest rates, the level of investment balances, share of interest chargeable to the Housing Revenue Account (HRA), the need for and timing of external borrowing, as well as performance in achieving capital expenditure projections. The projected overspend includes £200,000 of lower interest receivable on investments, given the significant reduction in the Bank of England base rate to 0.10%, as a result of COVID-19. The remainder of the overspend is the result of a number of factors, including the HRA picking up a lower share of projected external interest costs and lower levels of interest recoverable from directorates in relation to invest to save schemes expected to be completed during 2020/21.
20. In terms of Council Tax Collection, a balanced position is currently being reported. This is because there continues to be a significant amount of uncertainty regarding likely collection rates throughout the remainder of the

year. Until more time has elapsed, and the impact of the pandemic on collection rates becomes clearer, any variance in relation to Council Tax will not feature as part of the position. In addition, although Council Tax court cost income is also low at this point of the year, any variance against the budget will not be brought into the position until there is further clarity.

21. As part of the reported directorate positions, certain contributions from contingency budgets have been incorporated. As agreed at Month 4, these include a transfer from the Council Tax Reduction Scheme (CTRS) contingency, of £3.042 million, to meet the increasing demand from residents for financial support, largely as a direct consequence of the pandemic and financial hardship that people are experiencing. In addition, the Children's Services position includes the £2.175 million contingency held for meeting the additional costs arising from external placements. It should be noted that the position in relation to the CTRS contingency is likely to change significantly during the remainder of the year, particularly with WG funding now being made available but also because of the uncertainty regarding unemployment, as the UK Government's Job Retention Scheme transitions to the new Job Support Scheme. An updated position on this contingency will be incorporated within the Month 9 monitoring report.
22. In addition to the general fund directorate positions are the positions of ringfenced and grant funded accounts, in particular the Housing Revenue Account (HRA), Civil Parking Enforcement (CPE) and Harbour Authority. Further detail is provided on these accounts as part of Appendix 2. However, in summary, the position on the HRA is a for an in-year surplus of approximately £2.2 million, which is due, primarily, to in-year savings against repairs and maintenance budgets. This surplus would be transferred to the HRA General Balance at the end of the financial year. In the case of CPE, the current position reflects an in-year trading loss of £268,000, compared to the budgeted surplus of £8.022 million. However, this is an area that has been significantly affected by the COVID-19 pandemic and, as a result, financial support from WG has been available during the first quarter of the year and is anticipated for the remainder of the year. If this support does continue to be available for the remainder of the year, the account will be in surplus and will not result in an overspend within the Planning, Transport & Environment directorate. In the case of the Harbour Authority, an overall deficit of £63,000 is projected, due to reductions in income received. This overspend will either be managed via additional funding from WG or through the Contingency & Projects Fund. The position for all three accounts is broadly in line with the Month 4 position and will continue to be monitored closely.

Response to the Emerging Financial Position

23. As outlined in the Month 4 Monitoring Report, it became evident during the early stages of the pandemic that the financial impact on all local authorities was going to be significant. These impacts would be wide-ranging, including direct impacts such as the aforementioned additional expenditure and

income losses, but also indirect impacts, such as not being able to fully deliver on directorate savings proposals. Whilst, through close partnership working with WG, it was clear that financial support would be made available, it was always likely that this financial support would not have a wide enough scope to be able to cover the entire impact. Because of this, a number of steps have been taken by the Council in response to this financial crisis, with the aim of minimising that impact.

24. These steps have included engagement with the UK Government's Job Retention Scheme (JRS), which ends on 31st October 2020. Engagement with this scheme has allowed the Council to furlough staff from income generating services such as School Catering, Cardiff Castle, Storey Arms Outdoor Pursuits Centre, St. David's Hall and New Theatre. To date, £1.709 million has been received from the JRS, with a further reimbursement anticipated in relation to October, where services have not restarted and staff continued to be furloughed.
25. As well as considering external options, the Council continues to explore internal measures for reducing the overall impact arising from the pandemic. To date, directorates have been asked to review their in-year budgets and identify savings, or introduce measures to generate savings, which could assist with alleviating the overall overspend. As referenced earlier in this report, a total of £3.130 million has been identified and incorporated within the Month 6 position. In addition, the position also includes the outcome of an internal review of the committed spend against the amounts allocated as part of the 2020/21 budget, in relation to the Financial Resilience Mechanism (FRM) and the Capital Ambition Policy. As well as this, officers are continuing to review earmarked reserves and other corporate funding sources with the aim of identifying amounts that could be released or repurposed to help mitigate the overall financial position. As a priority, the Council will continue to ensure that all relevant expenditure and income losses are claimed from the WG Hardship Fund.

Capital

26. The Council in February 2020 approved a new Capital Programme of £194.304 million for 2020/21 and an indicative programme to 2024/25. The budget for the General Fund and Public Housing has since been adjusted to £181.447 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards.
27. The sections below indicate a forecast position for 2020/21 for the General Fund and Public Housing.

General Fund

28. The projected outturn for the year is currently £102.341 million against a total programme of £124.672 million, a variance of £22.331 million, which is predominantly slippage. Expenditure at the end of Month 6 was £29.839 million which represents only 29% of the projected outturn, half way through the financial year. However, there are a number of large expenditure items which are likely to progress during the latter part of the year.

Capital Schemes Update

29. Delivery of capital projects is complex, may span a number of years and is influenced by a number of external and internal factors, such as weather, statutory and non-statutory approval processes. Directorates continue to be reminded of the need to set achievable profiles of expenditure and to identify slippage at an early stage.
30. A number of specific WG grants in relation to the COVID-19 response have either been included in the programme or approved in principle, pending formal confirmation. These are for projects such as homelessness and transport infrastructure improvements. The likelihood and precedent from previous years is that additional grants will be available during the year and very often late in the year. Utilising grants bid for and awarded in approved timescales is a risk to be managed by directorates in the remainder of the year. Consideration of the switching of Council resources and early discussion with grant funding bodies should be undertaken in order to ensure that approved grants can be utilised in full.
31. Assumptions have been made about projected expenditure on a number of projects, but the programme does include a number of projects where future decisions to be taken will have a significant impact on the level of expenditure during the year. These will be updated as part of future monitoring reports.
32. Further detail on progress against significant capital schemes included in the programme is included in Appendices 4 and 5 to this report.

Capital Receipts

33. The level of capital receipts is a key assumption in the affordability of the capital programme. The annual property plan to be considered by Cabinet will highlight the impact of COVID-19 on the property market, as well as set out assumptions for capital receipts against targets for 2020/21 and for future years to inform future budget strategy.
34. The Capital Programme, approved by Council in February 2018 and in subsequent years, set a target for non-earmarked General Fund capital receipts of £41 million, after making a deduction for eligible revenue costs of disposal. Up to 31st March 2020, a total of £6.887 million has been generated against this target. The forecast for receipts when setting the 2020/21 resources was £7 million, from the disposal of land as well as a

number of retail parades. The only receipts received to date total £50,000, for the sale of freehold of 56A and 56B Plasmawr Road and a lease extension of 15, Llangranog Road.

35. In addition to the position outlined above, land appropriations to the Housing Revenue Account will take place for the development of affordable housing, with the main site during 2020/21 being the former Michaelston Community College site, which was originally anticipated in 2019/20.
36. Capital receipts from sites earmarked for specific projects, such as the proceeds from disposals such as Dumballs Road, are to be used to repay the initial investment in acquiring the site.

Public Housing (Housing Revenue Account)

37. The 2020/21 capital programme for Public Housing is £56.775 million, with net overall slippage of £1.802 million currently forecast.
38. Expenditure of £3.510 million is forecast 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 programme include the Roundwood Estate, Arnold Avenue and Bronte Crescent. Subject to contractor capacity, schemes may be brought forward from future years.
39. In respect to planned investment on Council dwellings, COVID-19 has resulted in a focus on the most urgent works, avoiding the requirement to enter properties. This has resulted in a delay to works, with slippage of £2.902 million currently anticipated, primarily in relation to high-rise upgrades, lift upgrades and renewals and kitchen and bathroom works. Areas of expenditure forecast during the year include replacement boilers (£750,000), front door upgrades to flats following completion of testing for fire safety (£600,000) and a lift replacement programme at flats (£257,000). Expenditure of £775,000 is forecast on the roof replacement programme, with opportunities to be considered to speed up the delivery of the programme. To ensure that Major Repairs Allowance grant funding for 2020/21 is utilised in full, options to bring forward expenditure in line with contractor capacity will continue to be reviewed during the course of the year.
40. Expenditure on disabled adaptations for public housing is forecast to be £2.5 million. Due to COVID-19, demand in the first quarter was weak and the focus was on the most critical cases. Since then there have been a large number of referrals in the second quarter and business has resumed as normal. Assessments are now progressing as part of the service recovery plan.

41. Expenditure on the development of new housing over a number of sites during the year is estimated to cost £40.715 million in total. This includes completion of phase one living sites, preparation for future phases as well as specific developments, such as Caldicot Road, the former training and community centre sites in St Mellons, the paddle steamer, and the former Lansdowne Hospital site. The level of expenditure on specific sites to be developed by the Council is lower than initially planned, however additional expenditure on schemes identified below has enabled overall investment on new build and acquisition to be maintained at planned levels.
42. Cabinet, in June 2020, considered the impact of COVID-19 on the Council's housing delivery programme and agreed approval in-principle of a specific request from Wates Residential to the immediate purchase of a number of additional properties currently in development as part of the Phase 1 Cardiff Living programme. This estimated the acquisition of an additional 102 properties for Council homes or for Council approved assisted home ownership across 4 sites, namely Willowbrook, St. Mellons; Briardeane, North Road; Highfields, Heath and Llandudno Road, Rumney. To facilitate this, the level of open market buy backs of property over the medium term was to be curtailed, with £4 million expected to be spent in 2020/21 on completion of the buyback programme, for all but urgent cases and those facilitating comprehensive regeneration schemes such as at Channel View.
43. In March 2020, Cabinet agreed to acquire the freehold interest of the former Gas Works site at Ferry Road, Grangetown at a cost of over £10 million in order to deliver a Council led mixed tenure housing scheme. The scheme will deliver around 500 new homes and will provide a strategic link to the proposed regeneration of the Channel View estate. An outline planning application is due to be submitted by the end of 2021/22.
44. Cabinet considered, in July 2020, a future service model for homelessness and set out a range of schemes to offer long-term and sustainable housing options for homeless families and single people. COVID-19 has necessitated extreme urgency to deliver longer-term solutions for temporary accommodation to replace the leased hotels. Two modular schemes are underway to provide a long-term homeless housing provision. The assessment centre at Hayes Place (19 new modular homes using the Beattie Passive 'Haus4studio' pods) will be handed over in December 2020. Works will commence on the Gasworks site in January 2021 to create 50 flats as temporary accommodation for homeless families.
45. Specialist supported accommodation for homelessness is proposed at Adams Court to create an integrated facility of approximately 103 self-contained units with intensive support and an additional 49 flats for longer term more settled accommodation.
46. The Council submitted a number of grant bids to WG covering COVID-19 related homelessness recovery plans in order to support the costs of the above three projects, projects taken forward by partners as well as the

development of affordable housing. Over £12 million of funding has been approved in-principle and subject to detailed terms and conditions. Where schemes need to be underwritten prior to confirmation of funding, this will need to be managed within the existing HRA capital programme.

Section 106 Schemes and Other Contributions

47. The table below shows the Section 106 and other contributions forecast to be spent at the time of setting the budget. This has been reviewed by directorates and is reflected in revised forecasts at Month 6:

	Budget	Projection at Month 6	Variance
	£000	£000	£000
Parks & Green Spaces	1,600	748	(852)
Traffic & Transportation	601	633	32
Strategic Planning & Regulatory	77	31	(46)
Neighbourhood Regeneration	1,093	550	(543)
Economic Development	138	88	(50)
Education & Lifelong Learning	465	364	(101)
Public Housing (HRA)	1,407	1,407	0
Total	5,381	3,821	(1,560)

48. Some of the schemes included in the profile above are:

- Parks and Green Spaces – Schemes are proposed to be undertaken in a number of areas and include Adamsdown Open Space, Cogan Gardens, Llandaff Fields, Shelley Gardens, Kitchener Gardens, Cemaes Crescent, Llanishen Park and cycle improvements along the Roath Park Corridor. Capacity to deliver schemes continues to be reviewed.
- Traffic & 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.
- Strategic Planning & Regulatory – Air Quality Monitoring around the city.
- Neighborhood Regeneration – Provision of a Library Service within the Cardiff Royal Infirmary, improvement of community facilities at Penylan Library and Community Centre, St Peters Community Hall, Lisvane Old School Rooms and Llanishen Street.
- Economic Development – Support for small to medium enterprises in Adamsdown, Butetown and Llanishen.

- Education & Lifelong Learning – Condition works at Llanishen High School and Cathays High School.
- Public Housing – Development of new Council housing.

Reasons for Recommendations

49. To consider the report and the actions therein that form part of the financial monitoring process for 2020/21.

Legal Implications

50. 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.

HR Implications

51. There are no HR implications arising from this report.

Property Implications

52. The report is submitted for information as part of the Authority's financial monitoring process. The Strategic Estates Department continues to work with the Finance Department to monitor the ongoing impact of COVID-19 on the Council's estate-related revenue and capital budget. There are no further specific property implications to report.

Financial Implications

53. In summary, this report outlines a projected Council overspend of £1.133 million at Month 6 of the 2020/21 financial year. This overspend reflects a net directorate overspend of £4.233 million, coupled with a Capital Financing overspend of £300,000. These overspends are partly offset by the general contingency of £3 million and a £400,000 underspend against the Summary Revenue Account. In the event that an overspend of this level exists at the end of the financial year, it would be offset against the Council Fund Balance. Currently, the Council Fund Balance is £14.255 million and would reduce to £13.122 million in such a circumstance. It is important to note that within the overall position are COVID-19 related costs and income losses, which have not been possible to recover from Welsh Government, totalling £1.937 million.

54. As reported at Month 4, the position includes £3.130 million of in-year savings to mitigate the overspend. As the year progresses, it is essential that directorates maintain a focus upon both the delivery of identified

savings and the identification of further savings, wherever possible. Whilst, to date, the Council has been able to recover the majority of COVID-19 expenditure from Welsh Government, there remains a significant risk that this will not be possible during the remainder of the year. This is evidenced by the scenarios presented in the report, which outline the fact that, based on current estimates, the Council could be exposed to as much as £28.886 million in additional expenditure and lost income during the remainder of the financial year.

55. Although the Welsh Government has made various announcements regarding further funding for Local Government, it cannot be assumed that all costs and losses of income will be mitigated via further external funding. Therefore, the Council has to ensure that every opportunity is taken to manage the financial impact being experienced. This will require directorates to demonstrate tight financial control and exercise good judgement in relation to income generation. As well as risks directly connected to COVID-19, directorates will also need to manage underlying pressures and ensure that reported positions do not deteriorate later in the year.
56. In addition to directorate risks, there is also the potential for other pressures to emerge. One example is the Council Tax Collection position, which, at this stage of the year and in the current context, is difficult to predict. Therefore, as outlined earlier in this report, it will be necessary for corporate solutions to be identified as well as directorate-led solutions. This will require a continual review of Council-wide issues and regular monitoring of the Council's balance sheet, including the debtors position and earmarked reserve levels.
57. In relation to the 2020/21 Capital Programme, a variance of £22.331 million is currently projected against the General Fund element, predominantly in relation to slippage against schemes. In terms of the Public Housing element of the programme, overall slippage of £1.802 million is currently forecast. Spend to date is also very low for this stage of the year and, therefore, there is a risk that the overall level of slippage could increase further. On that basis, it is critical that directorates continue to take steps to minimise the risk of slippage and implement measures to ensure that budgets are utilised in a timely and appropriate manner. Where this is not possible, early reporting of emerging issues should take place and robust re-profiling of expenditure should be undertaken to inform the development of the overall programme for future years. This requirement is of even greater significance when considering externally funded schemes, as it is important to ensure that the opportunity to utilise such funding is not lost.
58. As outlined at Month 4, in addition to the traditional pressures that the Capital Programme would be exposed to, the situation in relation to COVID19 presents a different range of challenges. For example, capital expenditure could be used as a way of kick-starting the economy and specific grants have already been made available to contribute towards particular issues, such as homelessness. As well as this, contractors are

having to make allowances for specific challenges connected to COVID-19, such as implementing alternative working practices to ensure social distancing. It is of critical importance, in light of this, that good contract management is undertaken and that issues that could give rise to cost increases or delays in schemes are identified and reported in a timely and appropriate manner. It will also be important to closely monitor the position in relation to capital receipts, as the programme is dependent upon particular targets being achieved in relation to this.

RECOMMENDATIONS

59. The Cabinet is recommended to:

1. Note the COVID-19 financial impact at Month 6 and the ongoing response to the emerging financial position.
2. Note the projected revenue financial outturn based on the projected position at Month 6 of the financial year.
3. Note the capital spend and projected position at Month 6 of the financial year.
4. Reinforce the requirement for all directorates currently reporting overspends, as identified in this report, to deliver against action plans to reduce their projected overspends.

SENIOR RESPONSIBLE OFFICER	CHRISTOPHER LEE
	Corporate Director Resources
	DATE: XX November 2020

The following Appendices are attached:

- Appendix 1 – Revenue Position
- Appendix 2 – Directorate Commentaries
- Appendix 3 – 2020/21 Budget Savings Position
- Appendix 4 – Capital Programme
- Appendix 5 – Capital Schemes Update

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Appendix 1

REVENUE MONITORING POSITION 2020/2021

Directorate	CASH LIMIT BUDGETS			PROJECTED OUTTURN			VARIANCES		
	Expenditure £000	Income £000	Net £000	Expenditure £000	Income £000	Net £000	Expenditure £000	Income £000	Net £000
Corporate Management	26,516	(101)	26,415	27,516	(101)	27,415	1,000	0	1,000
Economic Development	43,892	(39,791)	4,101	37,542	(33,941)	3,601	(6,350)	5,850	(500)
Education & Lifelong Learning	345,461	(58,049)	287,412	348,834	(60,483)	288,351	3,373	(2,434)	939
People & Communities									
- Communities & Housing	249,641	(201,656)	47,985	255,891	(208,691)	47,200	6,250	(7,035)	(785)
- Performance & Partnerships	8,820	(5,816)	3,004	8,745	(5,741)	3,004	(75)	75	0
- Recycling & Neighbourhood Services	41,250	(11,517)	29,733	43,841	(14,108)	29,733	2,591	(2,591)	0
- Social Services	213,581	(31,969)	181,612	225,251	(40,759)	184,492	11,670	(8,790)	2,880
Planning, Transport & Environment	62,801	(51,769)	11,032	63,509	(52,477)	11,032	708	(708)	0
Resources									
- Central Transport Services	991	(1,026)	(35)	1,058	(845)	213	67	181	248
- Governance & Legal Services	6,885	(1,180)	5,705	7,397	(1,191)	6,206	512	(11)	501
- Resources	29,869	(13,870)	15,999	29,922	(13,973)	15,949	53	(103)	(50)
Capital Financing	37,873	(6,937)	30,936	36,561	(5,325)	31,236	(1,312)	1,612	300
General Contingency	3,000	0	3,000	0	0	0	(3,000)	0	(3,000)
Summary Revenue Account	9,815	(928)	8,887	9,815	(1,328)	8,487	0	(400)	(400)
Discretionary Rate Relief	400	0	400	400	0	400	0	0	0
Sub-Total	1,080,795	(424,609)	656,186	1,096,282	(438,963)	657,319	15,487	(14,354)	1,133
Council Tax Collection	0	0	0	0	0	0	0	0	0
Total	1,080,795	(424,609)	656,186	1,096,282	(438,963)	657,319	15,487	(14,354)	1,133

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Appendix 2 – Directorate Commentaries

Corporate Management

+£1,000,000

1. The overall position for Corporate Management reflects an overspend of £1.000 million, reflecting a £13,000 improvement on the figure reported at Month 4. This improvement is due to a previously held item from a claim against the WG Hardship Fund now being claimed from an alternative funding source. The overall overspend is due to supplier relief that was not approved by Welsh Government (WG), as part of the Council's June claim against the Hardship Fund. As outlined in the main report, it is hoped that there will be an opportunity to recover this amount from another funding stream. However, until that is confirmed, this figure is shown as part of the overspend position. Elsewhere within the position are a number of small, offsetting, variances against the directorate's operational service delivery budget. The 2020/21 savings target of £90,000, in relation to past service pension contributions, is currently projected to be achieved in full.

Economic Development

(£500,000)

2. The reported Month 6 position for the Economic Development directorate is an underspend of £500,000, which is broadly in line with the position reported at Month 6. The overall position is comprised of irrecoverable COVID-19 related costs totalling £69,000, an underlying underspend of £170,000 and in-year savings totalling £399,000. It should be noted that this directorate has been particularly badly affected by losses of income due to the closure of various facilities and venues, such as Cardiff Castle, St David's Hall and the New Theatre. To date, the income losses experienced in Quarter 1 have been recovered via a combination of WG and the Arts Council for Wales. For the purpose of this report, future income losses associated with these closures have been assumed recoverable. Divisions with underspends include Parks, Facilities Management, Property & Office Rationalisation and Culture, Venues & Events. Overspends are being reported in relation to Major Projects, Business, Investment & Workshops and Projects, Design & Development. In terms of savings agreed as part of the 2020/21 budget, a shortfall of £746,000 is projected against the target of £1.478 million. Of this shortfall, £320,000 relates to efficiency proposals, with the majority relating to the delay in the transfer of the New Theatre to a third party, with the balance relating to income generation proposals, which have been significantly impact by the effects of the pandemic.
3. The largest underspend within the directorate position is £465,000 in relation to the Parks service. This underspend includes in-year savings against employee budgets, due to vacancies, and operational underspends relating to grounds maintenance. As well as this, the £250,000 Financial Resilience Mechanism (FRM) allocation for ash die back works is not anticipated to be spent during this financial year. The Culture, Venues & Events division, overall, is projecting an

underspend of £95,000 due to areas less impacted by the effects of the pandemic experiencing in-year savings against staffing budgets, due to vacant posts. In addition, Property & Office Rationalisation is projected to underspend by £187,000 because of in-year savings against staffing budgets, additional internal recharge income and savings within the Office Rationalisation budget. Facilities Management is also projecting an underspend, totalling £57,000, largely due to in-year savings against repairs, maintenance and energy budgets, reflecting the reduced occupation of Council buildings during the lockdown period. Partly offsetting these savings within FM buildings is a deficit in relation to the Building Services trading account, reflecting reduced activity during the early part of the year.

4. Overspends within the directorate can be seen within Major Projects, where an overspend of £182,000 is forecast, and Projects, Design & Development, where an overspend of £100,000 is projected. The Major Projects overspend is due to unbudgeted non-domestic rates costs in relation to the Toys R Us building with the Projects, Design & Development deficit the result of reduced internal recharge income following a phase of reduced activity during the lockdown period. Other divisions are reporting minor, offsetting, variances or balanced positions. Although an overall underspend is reported, there is a significant risk that the position will worsen if the necessary level of financial support for lost income, in particular, is not forthcoming. The position will be kept under close review and any changes reflected in future reports.

Education & Lifelong Learning

+£939,000

5. The Month 6 position for the Education & Lifelong Learning directorate reflects an overspend of £939,000, reflecting a significant improvement upon the £1.521 million overspend reported at Month 4. This positive change is due to a revision of assumptions regarding income generation within the traded services. The overall position can be broken down between irrecoverable COVID-19 costs amounting to £124,000, an underlying overspend of £1.850 million and in-year savings of £1.035 million. The main pressures within the position include trading deficits, after allowing for recovery of income losses via the Hardship Fund, against School Catering and the Music Service. In addition, there is a significant overspend in relation to Out of County Placements and continuing pressures in relation to School Transport. Partially offsetting these pressures are underspends in relation to Inclusion, Achievement, School Organisational Planning (SOP) and the benefit of some of the in-year savings within other divisions. A savings shortfall totalling £265,000 is projected against the target of £951,000. These shortfalls all relate to income generation proposals and are unachievable largely because of the impact of COVID-19 and the traded services not being able to operate as normal.
6. The largest overspend totals £1.269 million and relates to Services to Schools and, specifically, the traded services within that division. This position reflects the

continuation of issues that existed in previous financial years, as well as irrecoverable COVID-19 costs. This position does not include any COVID-19 related income losses that may be seen during the remainder of the year. However, it does include potential costs relating to the enhanced provision of free school meals, which is currently assumed to not be recoverable via the Hardship Fund. These services have been particularly badly affected by the closure of schools and there remains significant uncertainty regarding the restart of elements of these services and their financial viability over the forthcoming months. As well as this overspend, the Non-Delegated School Budget is projected to overspend by £142,000, due to a combination of additional transport costs and additional funding provided to schools.

7. In addition, there is an overspend of £644,000 projected in relation to Out of County Placements for pupils with additional learning needs (ALN). The underlying overspend is more significant than that reported, as a significant allocation of WG ALN grant funding has helped to mitigate the position in-year. The pressure has largely arisen due to an increase in the number of pupils requiring these placements, but also significant rises in the cost of such placements. Until capacity within Cardiff schools can be increased, it is likely that such pressures will continue to exist. The other main overspend relates to School Transport and totals £368,000. This is after allowing for an in-year saving on transport provider costs, during the period of inactivity whilst schools were closed. Therefore, the underlying pressure, which is primarily due to increased demand for transport routes for pupils with ALN, is greater than the amount reported.
8. There are a number of underspends within the directorate, the most notable of which is £525,000 in relation to SOP. This is the product of an in-year saving in relation to revenue funded school repairs and capital financing savings, which have arisen due to savings against Asset Renewal budgets in previous financial years. In addition, an underspend of £278,000 is projected against the budget for the Achievement Service. This underspend largely relates to the Youth Service, where additional grant funding has been available to offset base funded costs. As well as this, the Inclusion Service is projecting an underspend of £199,000, due to additional income generation via the service level agreement for specialist services with schools. Across the directorate, in-year savings proposals are providing mitigation against overspends. These include vacancy management and other expenditure controls, maximisation of the use of grant funding and a likely in-year underspend against the redundancy budget held for school redundancies. This latter proposal could potentially save £500,000.

People & Communities

Housing & Communities

(£785,000)

9. The Housing & Communities directorate is reporting an overall underspend of £785,000 at Month 6, which represents a decrease on the underspend reported

at Month 4. This decrease is due to a variety of factors including reduced income within Cardiff Works and increased security costs relating to non COVID-19 homelessness provision. The overall position comprises an operational service underspend of £270,000, in-year savings proposals totalling £536,000 and irrecoverable costs relating to COVID-19, which amount to £21,000. The main directorate variances, after allowing for in-year savings, include overspends within Advice & Benefits and Housing Strategy & Service Development, and underspends within the Independent Living Service, Early Help and Hubs & Community Services. In terms of savings, a shortfall of £154,000 is projected, in relation to a planned restructure and additional income generation within Cardiff Works and charging for equipment. The other proposals, of which the majority are efficiency savings, are projected to be achieved in full.

10. The largest underspend within the directorate relates to the Independent Living Service and totals £280,000. This underspend is the result of a review of available grant funding and the staffing establishment, which identified in-year staffing savings and the opportunity to offset base funded costs with grant funding. Homelessness & Hostels is also projecting an underspend, totalling £57,000, based on the assumption that all COVID-19 costs associated with temporary accommodation for homeless people will be reimbursed by WG. The underlying underspend is due to in-year staffing savings, which have arisen because of delays in recruiting to posts relating to Housing Options. Should there be further delays, this underspend will increase. In addition, an underspend of £69,000 is projected in relation to Hubs & Community Services, due to the in-year supplies and services savings, and Early Help is projecting a £96,000 underspend due to in-year vacancies. Business, Performance & Support is also projecting a £12,000 underspend due to vacancies. In addition to these divisional underspends is the assumption that the FRM allocation for estates management will not be utilised this year, saving a further £454,000.
11. Overspends within the directorate include £146,000 in relation to Advice & Benefits. This is due to a number of factors, including irrecoverable COVID-19 expenditure and a reduction in internal income against the Cardiff Works budget. Although Adult & Community Learning has experienced income losses, it is currently assumed that these will be reimbursed by WG. The other overspend, totalling £37,000, relates to Housing Strategy & Service Development, where the aforementioned restructure has not been possible to progress. Also contained within the directorate position is a significant increase in expenditure in relation to the Council Tax Reduction Scheme. At this stage of the year, this would require the full contingency allocation of £3.042 million to cover costs, as reported at Month 4. However, this continues to be a developing situation and, therefore, it will be kept under close review throughout the year, both in terms of the level of expenditure likely to be incurred and the prospects for recovering this via WG.

Performance & Partnerships

Balanced

12. In line with the Month 4 report, Performance & Partnerships is reporting a balanced position overall, with overspends against Cohesion & Engagement and Bilingual Cardiff offset by projected underspends against Cabinet Office & Performance Management and Media & Communications. The largest overspend totals £46,000 and relates to Cohesion & Engagement, largely due to income shortfalls, with the other overspends due to additional employee costs. The Bilingual Cardiff overspend amounts to £45,000 and is due to shortfalls in both internal and external income, although this is partly offset by in-year staffing savings and reduced expenditure on supplies and services. The underspends within Cabinet Office & Performance Management and Media & Communications are projected to be £72,000 and £19,000, respectively, and are all due to in-year savings against employee budgets. The two budget savings proposals, amounting to £99,000, both of which were classified as efficiencies, are projected to be achieved in full.

Recycling & Neighbourhood Services

Balanced

13. The Recycling & Neighbourhood Services directorate is current projecting a balanced position, which is in line with the position reported at Month 4. Within this position is a net £276,000 impact due to irrecoverable COVID-19 costs, offset by an overall £276,000 operational service underspend, which is aided, in particular, by an in-year underspend against allocations from the Financial Resilience Mechanism (FRM) and Policy Growth funding, and the proposed use of earmarked reserves to offset the majority of the irrecoverable COVID-19 costs. Particular in-year pressures include a projected overspend in relation to Waste Treatment & Disposal and Environmental Enforcement, offset by an underspend against Street Cleansing and Domestic Collections. Other divisions, including Trade Service and Strategy & Support are projecting minor variances or balanced positions. The savings proposals for 2020/21, classified as efficiency savings, amounted to £78,000 and are projected to be achieved in full.
14. The Waste Treatment & Disposal overspend is £460,000 and reflects the overall increased cost of processing materials caused by an increase in tonnages, the mix of materials and non COVID-19 price impacts. In addition, the new digital booking arrangements introduced at the recycling centres to ensure social distancing have required additional staff resources, although these are more than offset by the saving on processing costs through improved control measures and quality of material collected and processed. The Environmental Enforcement overspend totals £61,000 and is due to reduced external funding and additional staffing costs. The Street Cleansing underspend totals £354,000 and will be achieved by delaying the creation of a new city centre team and scaling back the enhanced cleansing regimes in certain wards, thereby releasing the funding from the FRM and Policy Growth allocations. Domestic Collections is now projecting an underspend of £160,000, primarily due to revised expenditure projections associated with recycling bags.

Social Services

+£2,880,000

15. The position for Social Services reflects a total overspend of £2.880 million, reflecting a net improvement of £358,000 on the position reported at Month 4. The overall position comprises an overspend of £1.059 million within Adult Services, an overspend of £3.221 million within Children's Services and additional, unallocated, grant totalling £1.400 million, to be split across both directorates. Within that overall position is a significant amount of expenditure in relation to COVID-19, particularly within Adult Services. However, the majority of this has been fully reimbursed by WG, with only a total of £124,000 not reclaimable, with the majority of this sitting within Children's Services. Therefore, the majority of the overspend relates to underlying issues, although there is some mitigation with the fact that £753,000 of in-year savings have been identified. A total of £2.280 million in savings shortfalls are being reported, which represents almost all of the savings agreed as part of the 2020/21 budget. Whilst COVID-19 is a contributory factor in this non-achievement, the majority of the explanation is due to the continuation of pressures experienced in previous years, meaning that new initiatives, whilst potentially helping with cost avoidance, are not resulting in a net decrease in expenditure. Further detail on each directorate's position is provided in the paragraphs that follow.

Adult Services

16. Adult Services is currently projected to overspend by £1.059 million at Month 6, representing an increase of £162,000 on the position reported at Month 4. This increase is due to a variety of factors, including additional Mental Health commissioned residential placements and an increase in domiciliary care activity. It is important to note that this position is predicated on the current level of residential and nursing placements, which has reduced in comparison to previous years. The position does not assume that the number of placements will increase later in the year, however, should an increase materialise, it has the potential to substantially increase the level of overspend. In the first five months of the year, the service has incurred approximately £7.1 million in COVID-19 related costs. These costs have predominantly related to financial support for the care sector, demonstrated via fee uplifts and payments based on planned activity, rather than actual activity. This has almost entirely been reimbursed via the ringfenced allocation for adult social care within the WG Hardship Fund, with only £17,000 of expenditure being disallowed. Had this not been the case, the overspend would have been significantly higher than the figure being reported.
17. The largest variance within the directorate is a projected overspend of £782,000 against the budget for Commissioned Services - Older People. This overspend is despite the reduction in numbers of residential and nursing placements and is due to the inability to take forward savings proposals, previous reliance upon grant funding, increasing costs associated with respite care, due to longer

placements, and additional costs associated with the ExtraCare contract. Whilst the nursing and residential placement numbers have reduced over the last few months (17% since February in the case of nursing placements), there have been a number of instances where former self-funders have required funding because of a fall in income. This has placed an additional financial pressure upon the authority. In terms of other commissioned services, Mental Health is showing an overspend of £442,000, due to additional costs in relation to direct payments and supported living, as well as increased residential placements as referenced earlier. Learning Disabilities is projecting an overspend, of £135,000, partly due to not being able to progress savings proposals and additional costs connected to the supported living contract.

18. In terms of internal services, an overspend of £269,000 is projected against the budget for Learning Disabilities Supported Living and Day Care, which is mainly due to additional employee costs associated with agency workers and overtime. For similar reasons, the Management & Support budget is projected to overspend by £194,000. Regarding underspends, the Reablement / Older People Day Care service is projecting a total underspend of £637,000. This is primarily due to the level of vacancies within the team, which is also the reason for an underspend of £120,000 in relation to Assessment & Care Management.

Children's Services

19. Children's Services is currently forecasting an overspend of £3.221 million at Month 6, which is an improvement of £520,000 compared to Month 4. This improvement is predominantly due to a significant reduction in the level of expenditure being incurred in relation to agency staff. Within this position is £107,000 of irrecoverable COVID-19 costs, the majority of which relate to WG only funding 50% of any ICT investment arising from the need to enable agile working during the pandemic. In addition, the position contains £353,000 of in-year savings. Therefore, the underlying position amounts to £3.467 million. This is after allowing for the use of £2.175 million corporate contingency for additional costs in relation to external placements, as agreed as part of the Month 4 reporting process.
20. The main pressure within the directorate position relates to Substitute Family Care. The projected overspend is £3.021 million, after assuming use of the corporate contingency. Within this division, the main pressure relates to external residential placements which have increased, net, by 10 since the start of the financial year, reflecting a 12% increase. As a result of these increases, this particular budget is projected to overspend by £4.352 million, before use of the contingency. Elsewhere within this division, an overspend of £830,000 is projected against the In-House Fostering budget, partly due to an increase of 32 in terms of kinship placements and increased fostering allowances. Partly offsetting this position is a projected underspend of £595,000 in relation to external fostering placements. It should be noted that this position does not allow

for any further placements during the remainder of the year and, therefore, there is a risk that the overspend will increase further. However, with fostering placements representing a lower cost than residential placements, any shift from residential placements to fostering placements would significantly aid the monitoring position.

21. Other overspends within the directorate are being reported in relation to Strategy, Performance & Resources (£48,000), Wellbeing, Protection & Support (£71,000), Localities (£505,000) and Improvement & Strategy (£302,000). In the case of each division, expenditure on agency staff to cover vacancies is the primary reason for the overspend, although the level of projected agency expenditure has significantly reduced between reporting periods. In terms of Localities, as well as agency expenditure, additional costs are being experienced across multiple budget headings in relation to Ty Storrie, with the facility having been transferred back into the Council during the last financial year. Providing some in-year mitigation is the delay in the opening of the Assessment Centre, with delays in recruitment resulting in in-year staffing savings. Partly offsetting the overall directorate overspend is an underspend of £726,000 within Restorative, Leaving & Edge of Care Services. Although additional agency costs have been incurred, these are more than offset by an in-year underspend against the budget for the Adolescent Resource Centre, due to underspends against employee budgets, and additional grant funding enabling base budget funded costs to be funded by external sources. Both the Youth Justice Service and National Adoption Service are projecting balanced positions.

Planning, Transport & Environment

Balanced

22. The Month 6 position for Planning, Transport & Environment reflects a balanced position overall, after allowing for irrecoverable COVID-19 costs and in-year pressures. This position is consistent with that reported at Month 4. Within the position is an underlying underspend totalling £61,000 and in-year savings totalling £91,000. These are offsetting irrecoverable COVID-19 costs amounting to £152,000, including some ICT expenditure which was funded by WG at a rate of 50%. Particular in-year pressures are evident within Energy Management and Transport Planning, Policy & Strategy, whilst Bereavement & Registration Services and Highways are reporting underspends. Other divisions are reporting minor variances or balanced positions. In terms of 2020/21 budget savings proposals, an overall shortfall of £647,000, against a total target of £1.490 million, is projected. This shortfall is entirely related to income generation proposals, with efficiency targets currently projected to be achieved in full. The main shortfall relates to an additional drawdown from the Parking Reserve, which is unlikely to be feasible in light of significantly reduced Civil Parking Enforcement income levels this year to date. However, this shortfall should not impact upon the directorate revenue position, as expenditure commitments have been reduced as a mitigation.

23. The Energy Management overspend comes to £137,000 and is because of a shortfall in renewable income sources and recharge income shortfalls. The position no longer includes the repair costs at Radyr Weir, following the February storms, as WG have confirmed funding for this. The Transport Planning, Policy & Strategy net overspend is £98,000, caused by existing income shortfalls across several activities. Previously, the use of grant funding would have offset these shortfalls, but it is currently assumed that this opportunity is unlikely to present itself this year. The position has been partly mitigated by an anticipated surplus in Design & Delivery, reflecting the additional workload on transport schemes.
24. The Bereavement, Registration & Dogs Home underspend is £58,000 and reflects the additional income from excess deaths in April and May and a planned use of reserves to fund additional burial sites. Highways are forecasting a net underspend of £177,000 reflecting the holding back of funds allocated via the Finance Resilience Mechanism (FRM) and, as with Radyr Weir, the position no longer includes the cost of repairs caused by the February floods. Civil Parking Enforcement is reporting a balanced position although the current forecast indicates a significant reduction in the surplus. Any surplus that is generated will be transferred to the Parking Reserve. Planning & Building Control are also anticipating a balanced position, although this is dependent upon several significant planning applications being submitted. If these are delayed then it will have an adverse impact on the position.

Resources

Central Transport Services **+£248,000**

25. At Month 6, the projected position for Central Transport Services (CTS) is for an overspend totalling £248,000. This represents a £79,000 improvement on the position reported at Month 4, due to various factors including an increased fuel recharge surplus and reduced expenditure projections on vehicle parts. The overall overspend position is primarily due to an underlying external income target that has not proved achievable. In addition to the unachievable income target, there have been additional staff costs incurred due to the requirement to change working patterns in response to services amending their mode of operation in response to COVID-19. These adverse variances are partly offset by the aforementioned fuel recharge surplus.

Governance & Legal Services **+£501,000**

26. The position at Month 6 for the Governance & Legal Services directorate is for an overspend of £501,000, which is in line with the figure reported at Month 4. This position is entirely made up of underlying issues and in-year savings. Any expenditure incurred as a direct result of COVID-19 has been recovered via WG, with any lost income currently assumed to be recoverable. The underlying position is due to a projected overspend within Legal Services, partly offset by an underspend within Democratic Services. The Legal Services overspend totals

£537,000 and is primarily due to continued pressures in relation to complex children's' cases and the requirement to engage external legal services to provide support with this work. In addition, there are overspends in relation to employees, due to the need to engage locums, and supplies and services. The underspend in relation to Democratic Services totals £23,000 and is due to in-year staffing savings. Other divisions are reporting minor, offsetting, variances or balanced positions.

Resources

(£50,000)

27. The Resources directorate is projecting an overall underspend of £50,000, representing a slightly reduced position compared to Month 4. The overall position comprises £169,000 of irrecoverable costs relating to COVID-19, an underlying overspend of £86,000 and in-year savings of £305,000. The irrecoverable costs are mainly within Health & Safety and primarily relate to additional legionella testing required within schools. The underlying overspend is the combination of overspends within Digital Services and Health & Safety, offset by underspends within Commissioning & Procurement and Human Resources. In terms of savings, a shortfall of £209,000 is projected, with the majority of the shortfalls relating to income proposals and plans to generate additional income within Revenues, Commissioning & Procurement, Human Resources and Health & Safety. Wherever possible, these shortfalls have been mitigated within the monitoring position or via reimbursement from WG.

28. The largest underspend within the position totals £201,000 and relates to Human Resources. This underspend is due to a combination of in-year employee savings, additional internal income and underspends against the budgets for projects. In addition, Commissioning & Procurement is projecting a £17,000 underspend due to in-year savings against supplies and services budgets partly offset by income shortfalls. The largest overspend within the position is within Digital Services and totals £88,000. This overspend is mainly because of additional costs within Customer Services, which have been incurred in order to be able to achieve income targets. The Health & Safety overspends comes to £80,000, with a large part of this is in connection with irrecoverable COVID-19 expenditure. The balance is predominantly due to shortfalls against internal income targets. Although the Finance position is reported as balanced, there remain risks regarding income collection, which could impact the position if delayed income proves either to not be achievable or not funded by WG.

Ring-fenced and Grant Funded Accounts

Housing Revenue Account

29. The Housing Revenue Account (HRA) is projecting a potential surplus of £2.2 million, in line with the figure reported at Month 4. The major variance is an anticipated £1.418 million underspend within the Housing Repairs Account, partly due to delays to planned work and access issues as a result of COVID-19. Other variances include vacancy savings across the functions, estimated at £246,000. This reflects delays to the filling of vacant posts, again impacted by COVID-19 restrictions.
30. The Housing Repairs Account includes underspends on responsive repair works and electrical testing, partly offset by additional planned spend on void property repairs. A balanced position against the Disabled Facilities Grant budget is still assumed on the assumption that there will be no shortfall against planned staff recharges to capital schemes. Based on week 12 statistics, rent and service charge income are estimated at £75,000 below target, offset by void rental allowances estimated at £186,000 below budget. Insurance forecasts are largely based on average costs in previous years and indicate an underspend of £196,000. Actual costs will depend on the number and value of claims which will not be clear until later in the financial year.
31. These variances are partly offset by security costs (£170,000) and bad debt provision above budget (£35,000) for the hostels and other accommodation. Additional security arrangements have been put in place at several HRA sites as a direct result of COVID-19 requirements with related costs assumed to be met via the claims process with WG. The balance of the variance is largely due to savings on premises costs and supplies and services and unbudgeted income from the WG COVID-19 claim reimbursement for additional spend, largely staffing and IT.
32. Any surplus generated within the HRA will transfer to the HRA General Balance, which will improve the ability to deal with future budget pressures and provide more flexibility for any unavoidable commitments in the new financial year.

Civil Parking Enforcement

33. 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 with the surplus being transferred to the Parking & Enforcement Reserve. The table below provides a summary of the budget and projected outturn position.

	Budget	Projected	Variance
	£000	Outturn	£000
		£000	
Income			
On street car parking fees	5,634	1,424	4,210
Off street car parking fees	1,420	306	1,114
Residents parking permits	405	320	85
Penalty charge notices	2,507	869	1,638
Moving Traffic Offences (MTOs)	4,746	2,710	2,036
Total Income	14,712	5,629	9,083
Expenditure			
Operational costs, parking & permits	774	639	(135)
Enforcement service including TRO	5,916	5,258	(658)
Total Expenditure	6,690	5,897	(793)
Annual Surplus / (Deficit)	8,022	(268)	(8,290)
Reimbursement from WG	0	3,517	3,517
Revised Surplus / (Deficit)	8,022	3,249	(4,773)

34. The CPE budget for 2020/21 assumed a trading surplus of £8.022 million. The current projection indicates a trading loss of £268,000, a reduction of £8.290 million. This position is broadly in line with that reported at Month 4.
35. The COVID-19 pandemic has had a profound effect on CPE income. Since lockdown was introduced on 23rd March 2020, almost all enforcement activities stopped and very few parking spaces were utilised. All income streams have been affected with significant reductions in the use of on street and off street parking. Enforcement activity was scaled back during the height of the pandemic and lower traffic volumes, particularly in the city centre, will mean lower fine income from Moving Traffic Offences (MTOs).
36. The reduced activity generates a consequential reduction on expenditure. This includes lower spend on overheads such as IT support, management fees, credit card commission, hybrid mail and advertising. In addition, there are savings from staff vacancies and less routine maintenance.
37. A claim for reimbursement of lost income was made to WG in relation to the first quarter of the year. This was for £3.517 million and was approved in full, improving the position to a trading surplus of £3.249 million in the process. Whilst

there is currently no guarantee that WG will cover income losses beyond quarter one, there are indications that WG will consider this and have requested claims from local authorities in respect of income losses experienced during quarter two.

38. The table below illustrates the effect on the trading position using various reimbursement scenarios.

	Current Position £000	25% Recovery £000	50% Recovery £000	75% Recovery £000	100% Recovery £000
Current Forecast	3,249	3,249	3,249	3,249	3,249
Future Reimbursement	0	1,193	2,387	3,581	4,743
Surplus	3,249	4,442	5,636	6,830	8,022

39. The existing forecast reflects the approved reimbursement for quarter one. Scenarios ranging between a further 25% and 100% reimbursement illustrates the impact on the surplus.

40. The surplus is transferred to the Parking & Enforcement Reserve. This is available to support highway, transport and environmental maintenance and improvements. The table below illustrates the forecasted year-end position for each scenario.

Parking & Enforcement Reserve	Current Position £000	25% Recovery £000	50% Recovery £000	75% Recovery £000	100% Recovery £000
Balance 1 st April 2020	2,115	2,115	2,115	2,115	2,115
Contribution from CPE	3,249	4,442	5,636	6,830	8,022
Total Available	5,364	6,557	7,751	8,945	10,137
Contribution Agreed in Budget Proposals	5,935	5,935	5,935	5,935	5,935
Balance	(571)	622	1,816	3,010	4,202

41. The brought forward balance in the reserve is £2.115 million. The actual contribution to the reserve from CPE activities will depend on decisions made by the WG regarding reimbursement of lost income. The current position reflects the recovery of income for quarter 1 only. Scenarios ranging between a further 25% and 100% recovery illustrate the significant impact on the surplus and consequential effect on the sum available. The contribution agreed in the budget is £5.935 million. The current position shows there is an insufficient sum available

in the reserve to fund the revenue commitments. If this scenario remained then there would be a financial pressure within the Planning, Transport & Environment directorate. This position is however unlikely given the recent positive indications from dialogue with WG.

Harbour Authority

42. For the current year, the Council worked with WG to identify achievable efficiencies, service reductions and savings against the approved Fixed Costs budget and to agree on an appropriate budget arrangement for Asset Renewal. The WG have agreed Fixed Costs funding of £4.961 million and Asset Renewal of £262,000, giving a budget of £5.223 million, which is the same overall total as the 2019/20 financial year.
43. The forecast at the end of quarter two indicates a funding requirement of £5.286 million, representing a variance of £63,000 over budget, as per the table below.

	Budget	Projected	Variance
	£000	Outturn	£000
		£000	
Expenditure	5,896	5,597	(299)
Income	(935)	(529)	406
Fixed Costs	4,961	5,068	107
Asset Renewal	262	218	(44)
Total	5,223	5,286	63

44. The introduction of government restrictions, particularly around travel, as a result of the COVID-19 pandemic, has had a significant impact on income generation for the Harbour Authority. Car parks were closed until mid-June and, whilst now reopened, the quarter two income generation was 50% of the equivalent level in 2019/20. It remains to be seen how usage will increase over the coming months, with limitations on travel. Within the figures in the table above, income of £201,000 for car parking is projected against the target of £523,000. The balance of the shortfall in income relates to the Aqua Park and harbour dues and rentals. This forecast will be updated as more information becomes available over the coming months.
45. The shortfall in income is partly mitigated by a number of managed underspends across a range of areas, including Community Liaison and administration, facilities management and building / general overheads. Spending has been restricted, where possible, to offset expected shortfalls in income. The Asset Renewal budget is currently indicating a reduction in spend, compared to Month 4, with savings against the purchase of a barrage crawler crane and phase one of the railing refurbishment scheme at Penarth Marina.
46. The Harbour Authority maintains a Contingency & Project 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 31st March 2020 was £63,000 and this is line with the amendments to the Deed of Variation as agreed in April 2020.

47. It is anticipated that any overspend will be dealt with initially through the Contingency & Project Fund, with the remainder to be funded by WG as part of an additional claim for unforeseen costs.

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DIRECTORATE BUDGET SAVINGS PROPOSAL SUMMARY 2020/21

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000	£000	
Efficiency Savings										
CMT	E1	Reduce Budget for Past Service Contributions A review of past service contributions to pension funds in respect of ex-employees has identified that there will be a £90,000 reduction in costs for the year 2020/21. The current budget in respect of this area is £825,000.	90	0	0	90	45	90	0	Based on expenditure to date, it is assumed that this saving will be achieved in full.
Corporate Management - Efficiency Total			90	0	0	90	45	90	0	
Economic Development	E2	Deletion of Post in Major Projects The deletion of one post through voluntary redundancy. The current staffing budget for Major Projects is £185,000.	53	0	0	53	53	53	0	The related post has been deleted and this saving has been achieved in full.
	E3	Dr Who Experience The existing budget will no longer be required once the building is dismantled and the land is handed back to Welsh Government. Handover should be completed by March 2020. The current net budget for the Dr Who Experience is £120,000.	0	120	0	120	120	120	0	This saving has been achieved in full.
	E4	Transfer of New Theatre building to an alternative provider This saving will be achieved through the release of Facilities Management budgets following the transfer of the New Theatre building to an alternative provider. The current New Theatre Facilities Management budget is £212,000.	0	212	0	212	0	0	212	The transfer of the New Theatre has been delayed as a direct result of the COVID-19 pandemic and this saving will not be achievable this year.
	E5	Reduction in staff costs in Facilities Management Saving will be achieved following a restructure of staffing resources within Facilities Management. This proposal relates to the Building Support function with a current staffing budget of £1.354 million.	10	0	0	10	10	10	0	This restructure has been finalised and the saving has been achieved in full.
	E6	Reduction in staffing budget in Economic Development A reduction in the staffing budget associated with the operation of Economic Development. This reflects the deletion of 3 x vacant posts, and 1 x voluntary redundancy. This proposal relates to the Business and Investment functions with a current staffing budget of £825,000.	150	0	0	150	28	150	0	The three posts planned for deletion have been deleted. However, agency staff are still being utilised by the service, which may impact upon achievability of the full saving.
	E7	Relocate Tourist Information Centre from Old Library Relocate provision of Tourist Information from the Old Library to St David's Hall (SDH) as a satellite to the main Tourist Information Centre (TIC) at Cardiff Castle. Tourist information would be provided by existing staff at SDH, with the saving being achieved through a reduction in agency costs associated with covering the current TIC. Cover has been previously provided through the use of staff at Cardiff Castle with a current staffing budget of £1.343 million.	20	0	0	20	0	20	0	Staff linked to the provision of this service have been relocated to St Davids Hall. The impact on use of agency staff and related savings requires ongoing review as to achievability.
	E8	Cardiff Castle - Bookings Taken On Line St. David's Hall box office to facilitate Cardiff Castle bookings online providing a reduction in cost against the current external arrangements. The current budget for this service is £20,000.	0	20	0	20	20	20	0	Although both St David's Hall and the Castle anticipate venue closures for a significant part of 2020/21 due to COVID-19, the arrangement for online bookings transferred to St David's Hall and has realised savings in external costs.
	E9	Cardiff Castle - Volunteer Programme Implementation of a volunteer programme which will reduce agency and overtime costs. Volunteers would assist and support staff during peak demand and the summer season. Recruitment is planned from colleges and universities programme to include work experience, trainees or apprentices. Reduced costs during events weekend and Bank Holiday periods. The Castle has a current staffing budget of £1.343 million.	20	0	0	20	0	0	20	Cardiff Castle is currently closed as a result of the COVID-19 pandemic and although anticipating a potential phased re-opening later in the year, it is unlikely that this planned volunteer programme will be implemented.
	E10	Reduction In Office Rationalisation Budget This budget will no longer be required from April 2020 as a result of buildings being vacated. The current budget for Office Rationalisation is £184,000.	0	92	0	92	92	92	0	This saving has been achieved in full.
	E11	Revised Tourism Offer A reduction in posts equivalent to 3 FTE in the Tourism Service. This will include the deletion of one vacant post and one voluntary redundancy. The current staffing budget for the Tourism service is £484,000.	100	0	0	100	100	100	0	Two posts relating to this proposal have been deleted. A delayed voluntary redundancy is offset in-year by other staff savings and is therefore considered achievable.
	E12	Reduction in Staff Costs in the Events Service The Events Service has a core establishment of six staff supporting an average of 40 events, as well as the City Centre. The proposal includes the deletion of a part-time post through voluntary redundancy. In addition, the team has absorbed income-funded work that was previously covered by agency staff. The Events service has a current gross staffing budget of £604,000.	48	0	0	48	0	0	48	The planned voluntary redundancy not taken place and this savings target is not currently considered achievable.

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs £000	Other Spend £000	Income £000	Total £000	Achieved £000	Projected £000	Unachieved £000	Comments
	E13	Reduced Cleaning in Corporate Buildings The proposed saving would be achieved through a reduction in the frequency of cleaning, and also an increase in productivity where this is practical and possible. The frequency of cleaning hygiene areas will remain unchanged but the frequency of cleaning office, meeting/conference rooms and communal/circulation areas will decrease. Most of these changes will be in the larger Council buildings (e.g. County Hall, City Hall, Willcox House, Cord House, St David's Hall,) where the current cleaning resource is greater. The savings will affect approximately 20 cleaning operatives (equivalent to circa FTEs). A number of voluntary redundancy applications from cleaners working in corporate buildings have been received. The current staffing budget for the Cleaning service is £4.956 million.	50	0	0	50	50	50	0	This saving has been achieved in full.
	E14	Review of staffing resources within Play Services Saving will be found by deleting posts through voluntary redundancy. The current staffing budget for Play Services is £560,000.	40	0	0	40	40	40	0	This saving has been achieved in full.
	E15	Review of staffing resources within Facilities Management Saving will be found by deleting posts through voluntary redundancy. The current staffing budget in respect of Facilities Management and Buildings Support is £4.019 million.	117	0	0	117	37	77	40	This saving has been partially achieved. One post has not been progressed for voluntary redundancy and the target is considered to be partly achievable.
Economic Development - Efficiency Total			608	444	0	1,052	550	732	320	
Education	E16	Reduction in centrally retained Business Continuity Budget Improvements in the management of school buildings and clarity about the split of responsibility between schools and the Local Authority have meant that the centrally retained budget for responsive building repairs to assist business continuity in schools underspent in 2018/19. This proposal would reduce the budget by £150,000 to reflect this. The current net budget for Business Continuity is £272,000.	0	150	0	150	75	150	0	Current forecasts indicate the potential for an underspend against the residual budget and, therefore, this saving is projected to be achieved.
	E17	Further staffing savings in the Education Directorate Management Structure Following a restructure of the Education Directorate this proposal would involve deletion of one management post. The current budget for this post would be removed in full.	100	0	0	100	100	100	0	The budget for this post has been deleted.
	E18	Realignment of ICT Invest to Save Budgets Review of invest to save budgets to reflect current capital financing commitments. The current invest to save budget is £634,000.	0	150	0	150	150	150	0	The relevant budgets have been reduced and the repayment schedules confirm that this saving is achievable.
	E19	Rationalisation of School Based Counselling Provision This reflects the savings achieved by bringing the external contract through Action for Children for School Based Counselling Service in-house under the management of the Principal Education Psychologist. An additional amount would be achieved through refinancing of the online service element from WG grant. The current net budget for School Based Counselling is £426,000.	0	100	0	100	50	100	0	Current projections suggest that this saving will be achieved in full.
	E20	Reduce the annual contribution made to the Central South Consortium A 3% reduction in the annual contributions made by partner LAs to the Central South Consortium in 2020/21. The current budget in respect of the contribution is £1.319 million.	0	41	0	41	41	41	0	The Council's contribution for the year has been agreed and reflects a reduction sufficient to ensure that this saving is achieved in full.
	E21	Review of staffing resources Saving will be found by deleting a post through voluntary redundancy. The current budget for this post would be removed in full.	45	0	0	45	45	45	0	The relevant post has been deleted and this saving has been achieved.
Education - Efficiency Total			145	441	0	586	461	586	0	
rd Communities	E22	Better alignment of Advice Services and increased external income The alignment of Into Work and Advice Gateways enables the deletion of a vacant manager post. This relates to the Money Advice Outreach service with a current staffing budget of £168,000.	43	0	0	43	43	43	0	This saving was achieved with the deletion of a vacant post
	E23	Benefit Assessment - efficiencies in processing and digitalisation Saving will be made through the deletion of posts via voluntary redundancy. This is possible due to efficiencies achieved through risk-based verification (reducing assessment time), digitalisation of services including Housing Benefit (HB) and Council Tax Reduction Scheme (CTRS) on-line claim forms, and scan station, reducing input time required by staff. This is in addition to a reduction in caseload of HB claims as Universal Credit roll out continues. The Benefit Assessment service has a current gross staffing budget of £3.215 million.	120	0	0	120	120	120	0	This savings target has been achieved in full following a restructure which saw the deletion of four vacant posts.
	E24	Citizen Advice Bureau (CAB) Contract - Agreed Reduction This saving reflects the fourth year of a five year phased reduction in the cost of the Advice Services Contract. The contractual agreement reduces funding by £30k a year for four years and then by £20k in year five. The current budget for the Advice Services Contract is £350,000.	0	30	0	30	30	30	0	This is the fourth year of a five year phased reduction in contract payments to Citizens Advice and the savings target has been achieved in full.
	E25	Appeal Team Review With the introduction of Universal Credit, fewer appeals against benefit decisions will be made and Tribunal hearings will reduce, enabling the reduction of one vacant post. The current staffing budget for the Complaints and Appeals service is £338,000.	38	0	0	38	38	38	0	This savings target is achieved in full with the deletion of one vacant post.

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs £000	Other Spend £000	Income £000	Total £000	Achieved £000	Projected £000	Unachieved £000	Comments
Housing a	E26	Review of out of hours arrangements for homelessness Currently both housing options and hostels services provide out of hours rota which is a duplication. Hostel staff can be trained to undertake this role. The current staffing budget for the Housing Options Centre is £2.261 million.	17	0	0	17	17	17	0	Budgets were reduced accordingly and this saving has been achieved in full.
	E27	Rationalisation for Childcare Business Support The deletion of a post following the retirement of the post-holder. Impact on service delivery will be offset by Childcare Offer grant income in the short-term, as childcare provider support is integral to the new grant. The current staffing budget for the Childcare service is £340,000.	17	3	0	20	20	20	0	Budgets were reduced accordingly and this saving has been achieved in full.
	E28	Joint Equipment Service - Increase in contribution from partners Currently the contributions from partners is based on a model set up in 2008, which no longer reflects current levels of activity. Work is underway with partners to address this, and Cardiff's contributions to the service are expected to reduce by £92,000. The current budget for total partner contributions to the service is £1.678 million.	0	92	0	92	0	92	0	This saving is expected to be achieved in full following a revised Joint Equipment Service Agreement which distributes service overheads on a revised basis.
	E29	The Legal Process and Complaints Review The alignment of two teams managing the legal process, and complaints and appeals under the same management structure. The current staffing budget for the Complaints and Appeals service is £338,000.	48	0	0	48	0	0	48	Whilst this saving was previously understood to be achievable, it is now evident that it will not be met in-year as the planned restructure is on hold due to COVID-19.
Housing & Communities - Efficiency Total			283	125	0	408	268	360	48	
P&P	E30	Staff restructure in Policy, Partnerships and Performance Management The saving will be achieved through a restructure that will better align the work of Policy, Partnerships and Performance Management that will release two posts through voluntary redundancy. The combined staffing budget for these areas is £947,000.	79	0	0	79	79	79	0	Two posts have been deleted via voluntary redundancy and the saving fully achieved.
	E31	Third Sector Infrastructure Grant The Council provides a grant to the Cardiff Third Sector Council (C3SC) to deliver through a Service Level Agreement (SLA), a range of support services to the third sector in the city. It is proposed to remove from the SLA, funded activities in relation to a community engagement work-stream, following a review of activities undertaken in recent years which concluded that insourcing these activities through the new Cohesion and Community Engagement Team would enhance efficiency and effectiveness in this area. With the new Local Government Bill proposing that all local authorities produce statutory Public Participation Strategies this will be a continued area of focus for the authority, particularly engaging with disconnected and deprived communities. It is therefore proposed to remove the grant funding (£45,690) for community engagement activities from the SLA in 2020/21, with £25,690 reinvested to support the work of the Cohesion and Community Engagement team, realising a saving of £20,000. The current budget in respect of Third Sector Infrastructure Grant is £191,000.	0	20	0	20	10	20	0	The saving is fully expected to be achieved.
Performance & Partnerships - Efficiency Total			79	20	0	99	89	99	0	

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000	£000	
Recycling & Neighbourhood	E32	Review of staffing resources Saving will be found through a restructure within depots and cleansing that will enable the deletion of two posts through voluntary redundancy. The combined staffing budget for these areas is £4.139 million.	43	0	0	43	43	43	0	This saving has been achieved in full.
	E33	Stores Review A review of the current stores provision at Lamby Way will be undertaken including opportunities for a more integrated approach to stock delivery across the City. The review will include consideration of the levels of stock held including levels of obsolescent stock, alternative stock management options and governance. The saving will be achieved through a reduction in agency costs and vehicle utilisation. The current net budget for Stores is £748,000.	28	7	0	35	35	35	0	This saving has been achieved in full.
Recycling & Neighbourhood Services - Efficiency Total			71	7	0	78	78	78	0	
Social Services	E34	Support practice in mental health services across adult and children's services in understanding organisational responsibilities in respect of section 117 and children's CHC Current practices for obtaining CHC funding for adults will be expanded in order to seek additional Health funding towards care packages for children. Given the size of children's care packages (£210k for a residential placement) additional CHC contributions in just a small number of cases would be sufficient to achieve the saving. The current income budget for contributions from the Health Service towards the cost of jointly funded packages across Social Services is £3.7 million.	0	100	0	100	0	0	100	Childrens placements have already been reviewed at panel including Education and Health to ensure all additional funding is considered. In Adults, the review of funding contributions is not happening as usual. There may be a chance of savings later in the year.
	E35	Review of existing contracts and practices In addition to major contracts for domiciliary and residential care, the Directorate operates a range of smaller contracts for specific services. These will be reviewed and efficiencies identified. There will also be a review of placement finding and brokerage across adults and children's to develop a single directorate team with the commercial skills, links to social work teams and strong relationships with providers. Across the Directorate, there are budgets of £3.3 million for small contracts for specific services.	0	100	0	100	0	0	100	Commissioning posts are now in place but unlikely to result in significant savings in-year. Processes and governance are currently under review but significant increases in Childrens residential placements have resulted in increasing overspends. In Adults, the review of contracts is concentrated on the recovery of services post-COVID 19 and therefore the saving will not be achieved.
Social Services - Efficiency Total			0	200	0	200	0	0	200	
Planning, Transport & Environment	E36	Residential LED Lighting Energy Reduction Continuation of reduction in the energy costs associated with street lighting due to the introduction of LED lighting and the dimming and trimming of the network. The current Street Lighting energy budget is £2.516 million.	0	100	0	100	50	100	0	This saving is anticipated to be achieved.
	E37	Highways - Reshaping of Maintenance Operations A review of demand for highways related work has identified the opportunity to grant voluntary redundancy requests. 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 for Maintenance Operations is £2.261 million.	75	0	0	75	75	75	0	This saving has been achieved in full.
	E38	Highways - Reduction in External Spend Reduced use of external resources related to non-essential and non-safety related highway asset improvement works. The current budget is £1.668 million.	0	15	0	15	0	15	0	This saving is anticipated to be achieved.
	E39	Shared Regulatory Service - 2020/21 Annual Savings 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 £4.793 million.	0	94	0	94	94	94	0	This saving has been achieved following a revised agreed contribution to the SRS.
	E40	Review of staffing resources within Planning This saving would be achieved by deleting a post through Voluntary Redundancy. The current staffing budget in Planning is £2.103 million.	22	0	0	22	0	22	0	A review is planned to take place and the saving is anticipated to be achieved.
	E41	Review of staffing resources within Road Safety This saving would be achieved by deleting a post through Voluntary Redundancy. The current staffing budget in Road Safety is £609,000.	22	0	0	22	22	22	0	This saving has been achieved in full.
	E42	Review of staffing resources within Bereavement Services This saving would be achieved by deleting a post through Voluntary Redundancy. The current staffing budget for Bereavement Services is £1.532 million.	40	0	0	40	0	40	0	Due to COVID-19, little progress has been made on the review. It is anticipated to be undertaken later in the year.
	E43	Street Lighting - use of Central Management System (CMS) to reduce Energy costs on Strategic routes Use of CMS to further reduce energy costs on Strategic Routes through the introduction of a dimming regime during periods of very low traffic flow. The saving would be achieved by city-wide roll out, following an in-year pilot. The current Street Lighting energy budget is £2.516 million.	(5)	55	0	50	25	50	0	This saving is expected to be achieved.
Planning, Transport & Environment - Efficiency Total			154	264	0	418	266	418	0	
	E44	Business Support Efficiencies A further review of staffing within the section, enabling the deletion of posts through a combination of vacancies and voluntary redundancy. This would necessitate the transfer to other areas of some of the functions currently undertaken by the section. As part of this proposal, it will be necessary to review income targets associated with these areas of work. The current net budget for Business Support is £291,000.	125	25	(45)	105	52	105	0	This saving is expected to be achieved.
	E45	Staff efficiencies within Information Governance The proposal comprises an employee saving to be achieved in relation to staff turnover. The current staffing budget for Information Governance is £1.050 million.	50	0	0	50	50	50	0	This saving has been achieved in full.

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000		
Resources	E46	Efficiencies in Recovery & Revenues The proposal comprises £60,000 staff savings through flexible retirement and voluntary redundancy. The current staffing budget in Revenue Services is £3.676 million.	60	0	0	60	26	60	0	Part of the saving has been achieved via voluntary redundancy. The balance is expected to be achieved through flexible retirement.
	E47	Reduction in Accountancy Staff Budgets A further review of staffing structures and responsibilities in the section, enabling staff savings through a combination of vacant posts and voluntary redundancy. The current staffing budget for Accountancy is £1.950 million.	60	50	0	110	75	110	0	Part of the saving has been achieved via voluntary redundancy. The balance is expected to be achieved through deletion of vacant posts.
	E48	Organisational Development Staffing Review of staffing structures and responsibilities in the section enabling the deletion of a post through voluntary redundancy. The current staffing budget for Organisational Development is £529,000.	27	0	0	27	27	27	0	This saving has been achieved in full.
	E49	Customer & Digital Services Restructure Implementation of the new staff structure within Customer and Digital Services, enhancing the ability to develop digital services across the Authority. The current staffing budget for this area is £11.882 million.	173	0	0	173	173	173	0	This saving has been achieved in full.
	E50	Reduction of ICT spend with external suppliers • Blackberry Email licence removal - by the time of the next renewal of Blackberry email maintenance, it is anticipated all users will have been converted to O365 email • Netapp file store maintenance removal • Mitel licence reduction • Sirsi Library maintenance reduction The current net budget for ICT is £766,000.	0	100	0	100	40	60	40	This saving is to be partly achieved this year with the shortfall being mitigated, within the overall monitoring position, by use of the mobile device technology fund.
	E51	Reduction in Emergency Management Unit salary budget Deletion of a vacant post, retaining part of the budget to provide flexibility for overtime and standby pay. The current staffing budget for the Emergency Management Unit is £218,000.	17	0	0	17	17	17	0	This saving has been achieved in full.
	E52	Commissioning & Procurement - Staffing Savings released through flexible retirement. The current staffing budget for Commissioning & Procurement is £1.287 million.	2	0	0	2	2	2	0	This saving has been achieved in full.
	E53	Health & Safety - Staffing The saving will be achieved through not filling a vacant post within Health and Safety. The current staffing budget for Health & Safety is £786,000.	44	0	0	44	44	44	0	This saving has been achieved in full.
	E54	Human Resources - Staffing Efficiencies Staffing efficiencies across HR through the deletion of vacant posts, voluntary redundancy and flexible retirement. The current staffing budget for Human Resources is £4.033 million.	147	0	0	147	147	147	0	This saving has been achieved in full.
	E55	Resetting of the Information Governance Offer The proposal is to review the service delivery model to reduce costs without compromising the Council's ability to deliver compliance in this key area. A heightened level of accountability and responsibility from individual directorates will be a key component of the success of the proposal. The current staffing budget for Information Governance is £1.050 million.	75	0	0	75	75	75	0	This saving has been achieved in full.
Resources - Efficiency Total			780	175	(45)	910	728	870	40	
GRAND TOTAL EFFICIENCY			2,210	1,676	(45)	3,841	2,485	3,233	608	

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000	£000	
Income Savings										
Economic Development	INC1	Increased Income Generation at St David's Hall Saving will be achieved through the generation of increased income streams at St David's Hall. The current income target for St David's Hall is £6.059 million.	0	0	129	129	0	0	129	Due to the current enforced closure of the venue as a result of the COVID-19 pandemic, it is not considered likely that this savings target is achievable in 2020/21.
	INC2	Pest Control Increase in pest control charges in respect of rats, mice, squirrels and wasps. The current income target for the Pest Control service is £312,000.	0	0	27	27	0	0	27	Ability to achieve this target has been affected by the COVID-19 pandemic and loss of external customers and is, therefore, unlikely to be achieved.
	INC3	New Theatre - Additional rental income from new operator Additional rental income generated following the appointment of an independent theatre operator for the New Theatre. The New Theatre forms part of the Arts Venues budget with St David's Hall which has a combined net budget of £1.253 million.	0	0	60	60	0	0	60	The transfer of the New Theatre to an external operator has been delayed as a direct result of the COVID-19 pandemic and this saving will not be achievable this year.
	INC4	New Attraction at Cardiff Castle (Black Tower Tales) Black Tower Tales is a new interactive visitor attraction at Cardiff Castle, which will result in additional income from ticket sales. The attraction will serve a dual purpose as both an educational and entertaining addition to the Castle's core offering. This will increase the attractiveness of the facility to local schools, education establishments and community groups and to the established tourist market both nationally and internationally. The current income target for the Castle is £4.236 million.	0	0	190	190	0	0	190	The proposed Black Tower Tales new attraction to generate additional income has not been implemented due to the COVID-19 pandemic and the additional income is not considered achievable as a result.
	INC5	Increase retail yield at Cardiff Castle Selling (including on-line) high yield products at Cardiff Castle. The current income target for the Castle is £4.236 million.	0	0	20	20	0	0	20	Due to the current enforced closure of the venue as a result of the COVID-19 pandemic, it is not considered likely that this savings target is achievable in 2020/21.
Economic Development - Income Total			0	0	426	426	0	0	426	
Education	INC6	Proposal to increase prices at Storey Arms Centre Proposal to increase all prices for users of Storey Arms by 5% from September 2020. The current income target is £527,000.	0	0	15	15	0	0	15	The ability to achieve an increased level of income has not been possible, due to the enforced closure of the centre due to the COVID-19 pandemic.
	INC7	Realignment of the Targeted Support, Early Help and Engagement teams to optimise deployment of provision across the City. Recent changes in grant funding from Welsh Government will provide the service with an opportunity to realign the amount of base-budget funded provision. The current net budget for this area is £1.964 million.	0	0	100	100	50	100	0	It is anticipated that grant funding levels will be sufficient to ensure that this proposal is achieved in full.
	INC8	Review of Services provided to schools on a traded basis This saving would be achieved through ensuring that the support costs are being captured in those services provided to schools on a traded basis, such as specialist teaching resources, educational psychology services, music tuition services and outdoor education and learning at the Storey Arms Centre. The current income target is £17.894 million.	0	0	250	250	0	0	250	Whilst it will be ensured that the appropriate costs are charged against the trading account, it will not be possible to cover these via additional income generation due to the impact of the COVID-19 pandemic and the service not being in operation during the early part of the year.
Education - Income Total			0	0	365	365	50	100	265	
Housing & Communities	INC9	Review of Charging for Equipment Cardiff currently purchases caddies, trolleys and perching stools, the cost of which range from £8 to £25 per item. It is proposed to charge for these items. This model has been implemented in other Welsh Authorities without detriment to the citizen. In addition, if a client feels they are unable to pay this amount they will be referred to Independent Living Service to review their income, in order to establish they are in receipt of all relevant benefits. This is a new income target for the service.	0	0	31	31	0	0	31	Due to the current COVID-19 pandemic, this target is not expected to be achieved in 2020/21.
	INC10	Cardiff Works - Increase Income Generation The council has an in-house agency "Cardiff Works" for administrative staff but uses external agencies for all other agency workers. A project is being established to see if more agency staff can be provided in house and thereby retain the agency fee income. This is at an early stage and may require the establishment of an arms-length company to increase flexibility. A report will be made to Cabinet in quarter one 2020/21 in respect of this element of the saving, with the new model expected to be implemented in quarter three. For 2020/21, £50,000 is anticipated from the new model, with an additional £100,000 from revising the internal charge from 0.2% to 2%. The current income target for the service is £6.073 million.	0	0	150	150	0	75	75	Current service area assumptions are that there will be partial achievement of this savings target.
	INC11	Advice Services - increased external income Grant funding is available to fund staff costs associated with the provision of fuel poverty advice. This relates to the Money Advice Outreach service with a current staffing budget of £168,000.	0	0	20	20	0	20	0	Smart Energy Grant is expected to be received for 2020/21, meaning that this saving should be achieved.
Housing & Communities - Income Total			0	0	201	201	0	95	106	
Social Services	INC12	Increase in maximum weekly charge for Domiciliary Care in line with Welsh Government (WG) policy It is proposed that the Council increases its maximum weekly charge from £90 to £100 per week in 2020/21 to mirror WG policy. This will increase the level of income the Council receives in service user contributions. The current income budget for charges for domiciliary care is £3.555 million.	0	0	255	255	50	200	55	Whilst there is a level of decline in Domiciliary Care income, the price increase will be achievable on the element of retained income.
Social Services - Income Total			0	0	255	255	50	200	55	

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000	£000	
Planning, Transport & Environment	INC13	Energy Management - Lamby Way Solar Farm Scheme Lamby Way Solar Farm will provide a substantial amount of clean, renewable energy to supply the local electricity grid and connected sites, generating an income for the Council, in addition to making a positive contribution to national and local renewable energy generation and carbon reduction targets. The current income target for Lamby Way Solar Farm is £30,000.	0	0	35	35	0	0	35	COVID-19 has caused a delay of approximately four months before further discussions regarding completion can take place. The better solar months will be missed. Net income is unlikely to be sufficient to achieve this target.
	INC14	Civil Parking Enforcement Additional contribution from Civil Parking Enforcement reflecting an increase in activity of on street parking and Moving Traffic Offences. The current operating costs are £6.203 million.	0	0	550	550	0	0	550	Income will be significantly lower due to COVID-19. CPE is unlikely to generate a trading surplus and, therefore, the drawdown from reserve is unlikely.
	INC15	Planning - implement various Planning initiatives Through improved proactive monthly monitoring of planning applications/Pre Planning Applications (PPAs) and major projects, this saving would be achieved by increasing income opportunities. The current income target is £2.481 million.	0	5	95	100	0	100	0	This saving will be achieved, depending upon the submission of schemes and planned price increase in the autumn.
	INC16	Maximising opportunities for recharging services to grants Maximising opportunities for recharging for services to WG grants within Transport, Policy & Strategy and Design & Delivery. The current income budget is £3.165 million.	0	0	135	135	0	135	0	The saving is anticipated to be achieved following the expectation of additional grants, for example Active Travel.
	INC17	Bereavement Services - Burial and Cremation Fees Generate additional income through increases to fees for burials and cremations. The current income target is £3.211 million.	0	0	120	120	0	120	0	It is anticipated the additional income will be achieved following the price increases.
	INC18	PTE - General Fees & Charges Generate additional income through increases to a number of fees & charges in respect of highways and transportation. The current income target is £1.083 million.	0	0	32	32	0	0	32	The additional income will not be achieved following the impact of COVID-19.
	INC19	Registration - Fees & Charges Generate additional income through increases to fees & charges in respect of ceremonies and certificates. The current income target is £836,000.	0	0	30	30	0	0	30	The enforced closure caused by COVID-19 will result in an income shortfall and therefore this saving will not be achieved.
	INC20	Cardiff Dogs Home Use of the Cardiff Dog's Home Legacy reserve to support operational costs in the short term, pending a further comprehensive review of the service. The current net budget for Cardiff Dogs Home is £275,000.	0	0	70	70	70	70	0	This saving will be achieved by drawing down from the Legacy Fund in line with the proposal.
Planning, Transport & Environment - Income Total			0	5	1,067	1,072	70	425	647	
Resources	INC21	Additional Income in Recovery & Revenues The proposal comprises an income target of £85,000 in connection with recently recruited recovery staff. The current income target is £1.096 million.	0	0	85	85	0	0	85	This saving is unlikely to be achieved as a result of COVID-19.
	INC22	WITS charge for Business Support functions Cardiff Council host the WITS, which is funded by public sector partners. Rather than create additional support posts, WITS utilises Customer Services business support functions (statistics, workforce planning, ordering / invoicing, financial monitoring etc.) This proposal is to ensure that these costs are fully recovered from the service. The current income target for C2C is £1.109 million.	0	0	25	25	25	25	0	This saving has been achieved in full.
	INC23	Commissioning & Procurement - Additional Income Additional income reflecting procurement support for the 21st Century Schools Band B Programme (four year commitment). The current income target is £399,000.	0	0	40	40	0	0	40	This income is not achievable from this source. This will be mitigated, within the monitoring position, by income from the administration of a national framework.
	INC24	Commissioning & Procurement - Additional Income Additional income reflecting SEWSCAP / SEWH billing contractor levy (1 day a month). The current income target is £399,000.	0	0	3	3	3	3	0	This saving has been achieved in full.
	INC25	Health & Safety - Additional External Income The saving will be achieved through generation of additional income from asbestos and other Health and Safety training, as well as investigating opportunities for collaboration with neighbouring Local Authorities. The current external income target is £126,000.	0	0	15	15	0	0	15	Ability to achieve this target has been affected by the COVID-19 pandemic and is therefore unlikely to be achieved.
	INC26	HR - Cardiff Academy Income Additional income from Cardiff Academy. The current external income target is £99,000.	0	0	29	29	0	0	29	Income is not achievable due to the current inability to deliver physical classes. However, this will be mitigated within the monitoring position by reduced external spend on training providers.
	INC27	Increased Income within Information Governance The proposal comprises the introduction of an income target in line with levels of income being generated in the current year. The current income target is £14,000.	0	0	25	25	15	25	0	This saving is expected to be achieved.
Resources - Income Total			0	0	222	222	43	53	169	
GRAND TOTAL INCOME			0	5	2,536	2,541	213	873	1,668	

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			
			Employee Costs	Other Spend	Income	Total	Achieved	Projected	Unachieved	Comments
			£000	£000	£000	£000	£000	£000	£000	
Service Change Savings										
Social Services	S1	<p>Strength Based Practice and Commissioning Saving - Children Services</p> <p>Implementation of priorities contained in the children's services strategy to ensure the right range of cost effective services are in place, including development of community support to keep families together, a reunification framework, continued development of in-house fostering, reframing the relationship with IFAs and developing purposeful homes for children closer to Cardiff. Specifically, it is anticipated that the Directorate will successfully recruit an additional 15 internal foster carers (25 currently being assessed) leading to an equivalent reduction in the number of externally commissioned foster placements, producing a net saving of c£300,000. In addition, it is anticipated that, through the implementation of a range of initiatives, there will be reduced reliance on high cost residential placements. It is assumed that there will be a net reduction of 3-4 placements, with an implied saving of c£600,000. The current budget for externally commissioned placements for children is £27.834 million.</p>	0	900	0	900	0	50	850	The new commissioning posts are now in place, however it is unlikely to result in significant savings in-year. Processes and governance are currently under review but significant increases in residential placements during the early part of the year have resulted in increasing overspends. Programmes to allow additional internal fostering placements, rather than commissioned places, have slipped considerably but are now progressing. However, it is unlikely that any significant savings will result during the year.
	S2	<p>Closer to Home Support - Return 5 people in year to lower cost provision from out of county residential care placements</p> <p>Via an ongoing process of review, the aim is to return care users to lower cost forms of provision from out of county residential care placements or to step down individuals from other high cost placements. The proposed saving represents the equivalent of stepping down 5 individuals from a learning disability residential placement (average cost c£87,000 pa) to a medium cost supported living placement (average cost £57,000). There are currently 119 residential/nursing placements in learning disabilities. In terms of capacity, the existing supported living contract contains places for c300 care users with a degree of turnover evident each year. Work is ongoing with Communities to identify further accommodation. The availability of supported living places is constantly monitored and opportunities for step down considered on an ongoing basis. The current budget for care homes for adults with learning disabilities is £10.389 million.</p>	0	150	0	150	0	0	150	Due to COVID-19 it is impracticable to move residents from one form of provision to another and as a result savings will be unachievable.
	S3	<p>Provide more step down to general purpose accommodation for mental health users</p> <p>Via an ongoing process of review, the aim is to step down care users to general purpose accommodation. The proposed saving represents the equivalent of 3 residential mental health placements (average cost £37,000). If stepping down to a domiciliary care supported package (average £25k) then the equivalent of 12 individuals would have to step down to achieve the saving. There are currently 84 residential/nursing placements in mental health. The current budget for care homes for adults with mental health needs is £3.008 million.</p>	0	150	0	150	0	100	50	The facility has been available since the end of July and therefore savings should be achievable during the later part of the year.
	S4	<p>High Cost Case review in Older people and Physical Disability cases</p> <p>The implementation of a strength-based panel in 2019/20 has increased the scrutiny and review of high cost placements. The panel examines opportunities to encourage independence and reduce reliance on traditional forms of care. The proposed saving of £250,000 represents the equivalent of 15,156 hours of care, which represents c1.25% of the total annual number of domiciliary care hours delivered to older people. The ongoing review includes right-sizing and examining opportunities for the use of community equipment where appropriate. The current combined budgets for commissioned domiciliary care, care homes and direct payments for older people and adults with physical disabilities amount to £51.854 million.</p>	0	250	0	250	0	0	250	The focus has been on the response to the pandemic with no possibility for package review. If there is some opportunity later in the year to review high cost packages there could be an element of savings.
	S5	<p>Review packages for joint funding opportunities in Older People and Physical Disability</p> <p>There is an established CHC review process to examine the potential for the joint (Health) funding of packages in learning disabilities. This has realised c£200k in additional Health funding in 2019/20. Recent data from external consultants suggests that further levels of joint health funding should be available in relation to learning disabilities. Learning disability placements are high cost (c£90,000) and where joint funding is agreed, the UHB contribution is typically 50%. To achieve the saving, 6-7 additional packages would need to be approved for CHC. It is intended that CHC processes in relation to older people and physical disability cases are enhanced with additional capacity being identified. The current income budget for contributions from the Health Service towards the cost of jointly funded packages is £3.7 million.</p>	0	275	0	275	0	0	275	Scope to review funding arrangements is not possible at present, however there is potentially some scope much later in the year depending on COVID-19 circumstances.
	S6	<p>Double to single handed care review</p> <p>There is an ongoing review process seeking opportunities to reduce double handed domiciliary care visits to single carer calls. Via OT reviews, savings of c£125,000 have been identified in 2019/20 to date. Use is made of existing community equipment budgets where appropriate. The proposed saving represents approximately 6,050 hours of care, which represents 0.5% of the total care hours delivered to older people in a year. There are currently 300 care users receiving double handed care. The current budget for older people's commissioned domiciliary care is £16.04 million.</p>	0	100	0	100	0	0	100	Assessment and review is difficult in current circumstances, however there may be some scope later in the year as packages on hold come back on line.

Appendix 3 - Savings Summary 2020/21

Dir.	Ref	Proposal	Savings Proposal				Savings Progress			Comments
			Employee Costs £000	Other Spend £000	Income £000	Total £000	Achieved £000	Projected £000	Unachieved £000	
Social Services	S7	<p>Community Resource Team</p> <p>The community resource team provides a re-ablement service which in many cases leads to a reduction in the level of care required by vulnerable people, typically after discharge from hospital. It has been identified that c900 care users have not benefitted from reablement. The intention is therefore to increase the number of people reabled, with a recent trial study identifying that there were further opportunities in this area. The proposed saving represents the equivalent of 7,600 hours of care or 0.6% of the total hours delivered to older people in a year. A 50% care reduction to a typical package size would produce a saving of c£12,000 per individual. The current budget for older people's commissioned domiciliary care is £16.04 million.</p>	0	125	0	125	0	0	125	The saving was around reabling people, especially on discharge from hospital, ultimately resulting in lower commissioned packages of Domiciliary Care. However, routine hospital discharge has slowed down during the early part of this year, therefore hindering the ability to deliver savings. There is possible scope for some savings later in the year.
	S8	<p>Implement Review of Reablement</p> <p>A significant element of the growth in the number of care hours delivered (and hence costs) relates to incremental increase in existing care packages. The strength based group is undertaking an ongoing and more stringent review of requests for increases to packages suggesting, alternatives where appropriate. The proposed saving represents the equivalent of 7600 hours of care or 0.6% of the total hours delivered. The current budget for older people's commissioned domiciliary care is £16.04 million.</p>	0	125	0	125	0	0	125	Planned savings were predicated on a process of challenge on the level of domiciliary care packages provided. There has been a drop off in the number of domiciliary care hours due to COVID-19. However, extra budgetary pressures have also been incurred providing support to the domiciliary care providers.
	S9	<p>Use of technology in the provision of care and support packages.</p> <p>Explore opportunities for the use of technology in the provision of care and support packages. Some technological applications, such as telecare, are already being utilised to support care provision. Further opportunities are being explored with a focus on preventative services that could reduce the reliance on commissioned care, the aim being to mainstream the use of technology in care provision. The current combined budgets for commissioned domiciliary care, care homes and direct payments for older people and adults with physical disabilities amount to £51.854 million.</p>	0	100	0	100	0	0	100	There has been a lack of capacity to progress in the current circumstances.
Social Services - Service Change Total			0	2,175	0	2,175	0	150	2,025	
GRAND TOTAL SERVICE CHANGE			0	2,175	0	2,175	0	150	2,025	
GRAND TOTAL SAVINGS PROPOSALS 2020/21			2,210	3,856	2,491	8,557	2,698	4,256	4,301	

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Appendix 4 - Capital Programme Summary

DIRECTORATE & SCHEME	2020-2021 Programme	2019-20 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2020-21	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>ECONOMIC DEVELOPMENT</u>										
<u>Business & Investment</u>										
1 Town Centre Loan Scheme	1,500	0	0	0	(500)	1,000	1,000	0	0	0
2 Chapter Arts Centre	280	0	0	0	(280)	0	0	0	0	0
3 S106 Schemes	138	382	(382)	0	0	138	88	(50)	0	(50)
Total Business & Investment	1,918	382	(382)	0	(780)	1,138	1,088	(50)	0	(50)
<u>City Development & Major Projects</u>										
4 Economic Development Initiatives	2,000	0	0	(300)	0	1,700	1,700	0	0	0
5 Black Tower Tales	0	130	0	0	0	130	130	0	0	0
6 Economic Stimulus Support James Street	0	1,929	0	300	0	2,229	2,229	0	0	0
7 International Sports Village	1,000	0	0	0	0	1,000	0	(1,000)	0	(1,000)
8 Central Square Public Realm	0	342	0	0	0	342	0	(342)	0	(342)
9 Red Dragon Centre Acquisition	5,664	0	0	0	60	5,724	0	(5,724)	0	(5,724)
10 Pizza Hut Acquisition	0	0	0	0	639	639	639	0	0	0
Total City Development & Major Projects	8,664	2,401	0	0	699	11,764	4,698	(7,066)	0	(7,066)
<u>Parks & Green Spaces</u>										
11 Asset Renewal Buildings	19	117	0	0	0	136	136	0	0	0
12 Asset Renewal Parks Infrastructure	140	113	0	0	0	253	253	0	0	0
13 Play Equipment	290	243	0	0	0	533	300	(233)	0	(233)
14 Parc Cefn Onn	100	169	(100)	0	0	169	128	(41)	0	(41)
15 Roath Park House	0	34	0	0	22	56	56	0	0	0
16 Roath Park Dam	150	0	0	0	0	150	100	(50)	0	(50)
17 S106 Funded Schemes	1,600	1,036	(1,036)	0	0	1,600	748	(852)	0	(852)
Total Parks & Green Spaces	2,299	1,712	(1,136)	0	22	2,897	1,721	(1,176)	0	(1,176)
<u>Leisure</u>										
18 Asset Renewal Buildings	310	0	0	0	0	310	310	0	0	0
19 Leisure Centres ADM (GLL)	0	678	0	0	0	678	180	(498)	0	(498)
20 Cardiff Riding School - Outdoor Arena	18	62	0	0	0	80	80	0	0	0
Total Leisure	328	740	0	0	0	1,068	570	(498)	0	(498)
<u>Venues & Cultural Facilities</u>										
21 St David's Hall & New Theatre	0	222	0	0	0	222	222	0	0	0
Total Venues & Cultural Facilities	0	222	0	0	0	222	222	0	0	0
<u>Property & Asset Management</u>										
22 Asset Renewal - Buildings	1,990	556	0	0	0	2,546	2,546	0	0	0
23 Community Asset Transfer	0	123	0	0	0	123	25	(98)	0	(98)
24 Investment Property Strategy	0	0	0	0	0	0	0	0	0	0
25 Ocean Park Arena	0	0	0	0	250	250	250	0	0	0

	2020-2021 Programme	2019-20 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2020-21	Outturn	Slippage	(Underspend)/ Overspend	Total Variance	
<u>DIRECTORATE & SCHEME</u>											
26	Cardiff Market Roof & HLF Grant bid	(30)	318	(248)	0	0	40	21	(19)	0	(19)
	Total Property and Asset Management	1,960	997	(248)	0	250	2,959	2,842	(117)	0	(117)
<u>Harbour Authority</u>											
27	Harbour Asset Renewal	262	0	0	0	0	262	262	0	0	0
	Total Harbour Authority	262	0	0	0	0	262	262	0	0	0
	TOTAL ECONOMIC DEVELOPMENT	15,431	6,454	(1,766)	0	191	20,310	11,403	(8,907)	0	(8,907)
<u>EDUCATION & LIFELONG LEARNING</u>											
<u>Schools - General</u>											
<u>Planning & Development</u>											
28	Asset Renewal	(4,112)	9,713	0	0	2,058	7,659	7,659	0	0	0
29	Suitability / Sufficiency	1,040	55	0	0	0	1,095	2,500	0	1,405	1,405
30	Whitchurch High	0	1,194	0	0	0	1,194	565	(629)	0	(629)
31	Welsh Medium Education	570	(16)	0	0	176	730	730	0	0	0
32	Reducing Infant Class Sizes	2,150	1,613	(1,566)	0	0	2,197	502	(1,695)	0	(1,695)
33	ICF Education Grants	0	0	0	0	169	169	169	0	0	0
34	Schools ICT (Hwb)Rev Grant	0	0	0	0	309	309	309	0	0	0
35	Schools ICT (Hwb) Capital Grant	0	0	0	0	1,207	1,207	1,207	0	0	0
	Total Planning & Development	(352)	12,559	(1,566)	0	3,919	14,560	13,641	(2,324)	1,405	(919)
<u>Schools Organisation Planning</u>											
36	21st Century Schools - Band A	465	774	(274)	0	0	965	2,064	(101)	1,200	1,099
37	21st Century Schools - Band B	27,152	14,643	(28,873)	0	0	12,922	12,922	0	0	0
	Total Schools Organisation Planning	27,617	15,417	(29,147)	0	0	13,887	14,986	(101)	1,200	1,099
	TOTAL EDUCATION & LIFELONG LEARNING	27,265	27,976	(30,713)	0	3,919	28,447	28,627	(2,425)	2,605	180
<u>PEOPLE & COMMUNITIES</u>											
<u>COMMUNITIES & HOUSING</u>											
<u>Neighbourhood Regeneration</u>											
38	Neighbourhood Renewal schemes	310	179	0	0	0	489	389	(100)	0	(100)
39	Maelfa Centre Regeneration	0	0	0	30	0	30	30	0	0	0
40	Alleygating	50	26	0	0	0	76	76	0	0	0
41	Targeted Regeneration Investment Programme Matchfunding	100	330	0	(100)	0	330	0	(330)	0	(330)
42	Tudor Street Commercial Business Improvement Scheme	820	0	0	100	(51)	869	869	0	0	0
43	Tudor Street Business Environment Improvements	0	0	0	0	300	300	300	0	0	0
44	Butetown Pavillion	0	13	0	0	115	128	128	0	0	0
45	Rhydypennau Community Hub	305	0	0	0	40	345	345	0	0	0
46	Whitchurch Community Hub	389	0	0	0	(21)	368	368	0	0	0
47	Rhiwbina Community Hub	336	0	0	0	0	336	20	(316)	0	(316)
48	City Centre Youth Hub	(350)	851	0	0	0	501	0	(501)	0	(501)
49	S106 Funded Projects	1,093	252	(252)	0	0	1,093	550	(543)	0	(543)
	Total Neighbourhood Regeneration	3,053	1,651	(252)	30	383	4,865	3,075	(1,790)	0	(1,790)
<u>Housing (General Fund)</u>											

<u>DIRECTORATE & SCHEME</u>	2020-2021 Programme	2019-20 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2020-21	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
50 Disabled Facilities Service	4,550	4	0	0	0	4,554	4,100	(454)	0	(454)
51 Enable Grant	436	0	0	0	0	436	436	0	0	0
52 Council Holding ICF Monies	0	2,304	0	0	0	2,304	2,304	0	0	0
53 Estate Environmental Improvements	140	312	0	0	0	452	252	(200)	0	(200)
54 Travellers Site Expansion	0	17	0	0	0	17	17	0	0	0
55 Domestic Abuse Multi Agency Hub	0	60	0	0	0	60	60	0	0	0
Total Housing	5,126	2,697	0	0	0	7,823	7,169	(654)	0	(654)
<u>Flying Start</u>										
56 Flying Start	0	0	0	0	152	152	152	0	0	0
57 Childcare	382	0	0	0	0	382	227	(155)	0	(155)
Total Flying Start	382	0	0	0	152	534	379	(155)	0	(155)
Total Communities & Housing	8,561	4,348	(252)	30	535	13,222	10,623	(2,599)	0	(2,599)
<u>SOCIAL SERVICES</u>										
<u>Adult Services</u>										
58 Tremorfa Day Services (ICF)	0	24	0	0	0	24	24	0	0	0
59 ICF Grants	0	0	0	0	0	0	0	0	0	0
60 Day Centre Opportunities	0	30	0	(30)	0	0	0	0	0	0
Total Adult Services	0	54	0	(30)	0	24	24	0	0	0
<u>Children's Services</u>										
61 Accomodation Strategy	0	229	0	0	0	229	0	(229)	0	(229)
62 Children Looked After	500	0	0	0	0	500	370	(130)	0	(130)
63 Trelai Youth Centre	150	0	0	0	0	150	150	0	0	0
Children's Services	650	229	0	0	0	879	520	(359)	0	(359)
Total Social Care	650	283	0	(30)	0	903	544	(359)	0	(359)
TOTAL PEOPLE & COMMUNITIES	9,211	4,631	(252)	0	535	14,125	11,167	(2,958)	0	(2,958)
<u>PLANNING, TRANSPORT & ENVIRONMENT</u>										
<u>Energy Projects & Sustainability</u>										
64 Energy Retrofit of Buildings (REFIT - Invest to Save)	750	0	0	0	0	750	0	(750)	0	(750)
65 Salix SEELS	500	0	0	0	(400)	100	100	0	0	0
66 Lamby Way Solar Farm	1,891	290	0	0	619	2,800	2,800	0	0	0
Total Energy Projects & Sustainability	3,141	290	0	0	219	3,650	2,900	(750)	0	(750)
<u>Bereavement & Registration Services</u>										
67 New Cemetery Site (Invest To Save)	2,185	335	0	0	0	2,520	2,520	0	0	0
68 Property Asset Renewal	275	0	0	0	0	275	360	85	0	85
Total Bereavement & Registration Services	2,460	335	0	0	0	2,795	2,880	85	0	85
<u>Recycling Waste Management Services</u>										
69 New HWRC North Cardiff	0	200	0	0	0	200	0	(200)	0	(200)

<u>DIRECTORATE & SCHEME</u>	2020-2021 Programme	2019-20 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2020-21	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
70 Recycling Collection Containers	(815)	815	0	0	0	0	0	0	0	0
71 Material Recycling Facility	45	0	0	0	0	45	45	0	0	0
72 ULEV - Light Electric Vehicles	0	0	0	0	45	45	45	0	0	0
73 Waste Recycling and Depot Site Infrastructure	0	396	0	0	0	396	519	123	0	123
74 Property Asset Renewal	18	85	0	0	0	103	103	0	0	0
Total Recycling Waste Management Services	(752)	1,496	0	0	45	789	712	(77)	0	(77)
Highway Infrastructure										
75 Highway Carriageway - Reconstruction	400	357	0	0	0	757	757	0	0	0
76 Highway Resurfacing	2,473	2,906	0	923	0	6,302	5,602	(700)	0	(700)
77 Footpaths	1,035	538	0	(923)	0	650	650	0	0	0
78 Footway Improvements around Highway Trees	125	29	0	0	0	154	154	0	0	0
79 Millennium Walkway	100	240	0	0	0	340	340	0	0	0
80 Bridges & Structural Work	1,200	682	0	(47)	0	1,835	1,000	(835)	0	(835)
81 Street Lighting Column Replacement	70	763	0	0	0	833	225	(608)	0	(608)
82 LED Lighting Residential (Invest to Save)	1,000	2,000	0	0	0	3,000	1,500	(1,500)	0	(1,500)
83 Coastal Erosion Schemes	283	471	(233)	0	0	521	433	(88)	0	(88)
84 Flood Prevention Schemes	0	37	0	47	739	823	823	0	0	0
Total Highway Maintenance	6,686	8,023	(233)	0	739	15,215	11,484	(3,731)	0	(3,731)
Traffic & Transportation										
85 Road Safety Schemes	335	0	0	0	0	335	335	0	0	0
86 Asset Renewal Telematics / Butetown Tunnel	595	(36)	(35)	0	0	524	524	0	0	0
87 Cycling Development	800	1,874	0	0	0	2,674	1,462	(1,212)	0	(1,212)
88 WG Grant Matchfunding	375	397	0	0	0	772	666	(106)	0	(106)
89 City Centre & Key links Transport Improvement	(1,259)	1,259	0	0	405	405	405	0	0	0
90 WG Covid Response	0	0	0	0	3,619	3,619	3,619	0	0	0
91 WG (Local Transport Fund)	990	4	0	0	1,905	2,899	2,899	0	0	0
92 WG Resilient Roads	0	0	0	0	1,673	1,673	1,673	0	0	0
93 WG (Local Transport Network Fund)	9,000	0	0	0	(9,000)	0	0	0	0	0
94 WG (Road Safety Casualty Reduction)	700	101	0	0	(429)	372	372	0	0	0
95 WG (Safe Routes in Communities)	285	17	0	0	0	302	302	0	0	0
96 WG (Active Travel Fund)	3,000	580	0	0	1,295	4,875	4,875	0	0	0
97 DfT On Street Residential Charge points	50	55	(55)	0	(50)	0	0	0	0	0
98 Electric Vehicle Charging Points	200	304	(304)	0	(200)	0	0	0	0	0
99 Transport & Environmental Imps	250	0	0	0	(250)	0	0	0	0	0
100 Moving Offences Enforcement / P&D Equipment	475	181	0	0	(150)	506	506	0	0	0
101 Bus Corridor Improvements	415	0	0	0	(335)	80	0	(80)	0	(80)
102 Cardiff West Interchange	250	(3)	0	0	0	247	0	(247)	0	(247)
103 CCTV System Upgrade	0	(35)	35	0	0	0	0	0	0	0
104 WG Air Quality	10,000	0	0	0	(8,500)	1,500	1,500	0	0	0
105 S106 Funded Schemes	601	474	(474)	0	32	633	633	0	0	0
Total Traffic & Transportation	27,062	5,172	(833)	0	(9,985)	21,416	19,771	(1,645)	0	(1,645)
Strategic Planning & Regulatory										
106 S106 Projects	77	150	(150)	0	0	77	31	(46)	0	(46)
Total Strategic Planning & Regulatory	77	150	(150)	0	0	77	31	(46)	0	(46)

<u>DIRECTORATE & SCHEME</u>	2020-2021 Programme	2019-20 Slippage	Budget revision	Virements	Changes & New Approvals	Total Programme 2020-21	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
TOTAL PLANNING, TRANSPORT & ENVIRONMENT	38,674	15,466	(1,216)	0	(8,982)	43,942	37,778	(6,164)	0	(6,164)
<u>RESOURCES</u>										
<u>Technology</u>										
107 Modernising ICT to improve Business Processes	600	(175)	0	0	0	425	300	(125)	0	(125)
108 ICT Refresh	830	36	0	0	0	866	741	(125)	0	(125)
Total Technology	1,430	(139)	0	0	0	1,291	1,041	(250)	0	(250)
<u>Central Transport Services</u>										
109 Vehicle Replacement -Lease or Buy	3,260	0	0	0	0	3,260	2,900	(360)	0	(360)
110 ULEV - Electric Refuse Collection Vehicle	0	0	0	0	205	205	205	0	0	0
Total Central Transport Services	3,260	0	0	0	205	3,465	3,105	(360)	0	(360)
<u>Corporate</u>										
111 Contingency	200	0	0	0	0	200	200	0	0	0
112 Invest to Save - Bid Allocation for small schemes	500	0	0	0	(500)	0	0	0	0	0
113 City Deal - Cardiff Share	1,198	2,474	0	0	0	3,672	0	(3,672)	0	(3,672)
114 Core Office Strategy - Digital Infrastructure	2,000	0	0	0	0	2,000	2,000	0	0	0
115 Web casting and Infrastructure	220	0	0	0	0	220	20	(200)	0	(200)
116 Cardiff City Transport Services Ltd - Cardiff Bus Support	7,000	0	0	0	0	7,000	7,000	0	0	0
Total Corporate	11,118	2,474	0	0	(500)	13,092	9,220	(3,872)	0	(3,872)
TOTAL RESOURCES	15,808	2,335	0	0	(295)	17,848	13,366	(4,482)	0	(4,482)
TOTAL GENERAL FUND	106,389	56,862	(33,947)	0	(4,632)	124,672	102,341	(24,936)	2,605	(22,331)
<u>PUBLIC HOUSING (HRA)</u>										
117 Estate Regeneration and Stock Remodelling	2,900	90	(90)	0	0	2,900	3,510	610	0	610
118 External and Internal improvements to buildings	11,150	2,678	(2,678)	0	0	11,150	8,248	(2,902)	0	(2,902)
119 Disabled Facilities Service	3,350	(263)	263	0	0	3,350	2,500	(850)	0	(850)
120 Housing New Builds & Acquisitions	39,375	3,359	(3,359)	0	0	39,375	40,715	1,340	0	1,340
TOTAL PUBLIC HOUSING	56,775	5,864	(5,864)	0	0	56,775	54,973	(1,802)	0	(1,802)
TOTAL	163,164	62,726	(39,811)	0	(4,632)	181,447	157,314	(26,738)	2,605	(24,133)

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Appendix 5 - Capital Schemes Update

Economic Development

1. The 2020/21 programme for the Directorate is £20.310 million, with an initial variance identified of £8.907 million predominantly in relation to city development and major projects.

Business and Investment

2. The council has received from Welsh Government to date, repayable loans totalling £4.810 million for the implementation of town centre regeneration schemes in order to bring back vacant, underutilised or redundant buildings into beneficial use. Welsh Government have also requested expressions of interest for authorities to bid for further tranches of loan where there is a demand. Expenditure of £1 million has been incurred on a loan to allow the acquisition and regeneration of premises at Windsor place for a Fintech / Technology Hub. Whilst due diligence on a number of other applications is being undertaken, no further expenditure is currently planned during this year.

City Development & Major Projects

3. A sum of £2.366 million was originally allocated in the 2019/20 capital programme for economic development initiatives, primarily in relation to heritage buildings. A sum of £366,000 was allocated for the completion of the Black Tower Tales visitor experience at Cardiff Castle which whilst delayed due to COVID restrictions, is now scheduled for completion due in October. A further £300,000 is allocated towards the clearance and pre development works on the James Street site in Butetown. The balance of £1.7 million is available towards the acquisition and bringing into beneficial use vacant sites in Butetown subject to a Cabinet decision in November. In the event that funding is not required, the Council's budget will be carried forward to future years.
4. A sum of £1.929 million arising from 2019/20 Welsh Government grant to support economic stimulus in local authorities has been used 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. Site clearance and demolition is planned this financial year and coupled with existing land ownership in the area such as the Royal Stuart Workshops, a comprehensive redevelopment plan of the area is to be prepared to assist with the regeneration of Cardiff Bay.
5. An initial sum of £1 million was allocated in 2020/21 towards the Development strategy for the Sports Village and infrastructure works which would be repaid through capital receipts or revenue from sites. An updated masterplan and development strategy is due to be presented to Cabinet towards the end of the year and pending the outcome, it is assumed that no costs will be incurred this financial year.
6. 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 will

continue to be carried forward into 2021/22 in order to complete works arising following future phases of the development and in line with various other public realm works planned around the site.

7. Cabinet approved the acquisition of the Red Dragon Centre site in December 2019, triggering 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. Procurement of a developer/operator for the new Indoor Arena is nearing completion, with a preferred bidder expected to be presented to Cabinet for ratification in November 2020. Subject to submission of a planning application for an Indoor Arena on the Atlantic Wharf site, a further sum is payable for the acquisition of the site. This is currently assumed to be in 2021/22, resulting in slippage.
8. In August 2020, the affordability envelope was also utilised to acquire the long leasehold in a property known as Pizza Hut, Hemingway Road, Cardiff. The property is to be managed as part of the Red Dragon Centre, but is also deemed a strategic investment to assist with the Council's wider master planning of Atlantic Wharf.

Parks & Green Spaces

9. The contract for the refurbishment of the toilet block at Parc Cefn Onn, which started last February, was completed in August at a total cost of circa £219,000 with additional funding required to complete this of £117,000 to be met from the Council's building asset renewal budget.
10. The Parks Asset Renewal Infrastructure budget for 2020/21 including slippage is £253,000 and has been used partly to complete footpath reconstruction at Hailey Park and Whitchurch Common. Retaining structural works, including Waterhall bridge replacement, Cath Cobb Woods and Fairwater Park Wall will be completed this year.
11. The enhanced play equipment capital allocation is £533,000 including a significant level of slippage from 2019/20. Slippage of £233,000 is currently shown for sites including Victoria Park, Grange Gardens, Caedelyn Park, Drovers Way and Lascelles Drive due to a delayed start on site and contractor capacity as a result of COVID-19. Schemes anticipated to complete this year are Hailey Park toddler area, Peppermint Drive, Glenmount Way and Wilson Road. Works will include resurfacing and replacement of playground equipment.
12. Refurbishment works at Roath Park House, to protect it from further deterioration and make it wind and watertight, commenced in September 2019 and were completed in August 2020 at a cost of £617,000. Options and costs are now being determined to complete the building and fit out the property as a cafeteria and cookery school for Youth Foods. The project utilises most of the 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.

13. Expenditure of £100,000 is forecast on professional fees and surveys during the year in relation to Roath Park Dam in order to determine an options report for works deemed required as part of the Reservoir Act 1975 and in response to a Natural Resources Wales inspection report. Future costs are subject to this appraisal, consideration of the impact on other features of this Grade1 listed Historic Park as part of a future Cabinet Report.

Leisure

14. A property asset renewal budget of £310,000 was allocated in the year to replace sections of roof at Western Leisure Centre in order to urgently address water ingress and this work has now been completed.
15. 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 is £0.678 million, which is repayable on an investment to save basis. Expenditure of £180,000 is forecast during the year on the Air Handling Unit at Western Leisure Centre.
16. Following confirmation of drainage requirements, a tender package is being amended and is to be issued for a scheme at Pontcanna Riding School to resurface the outdoor arena. The project has been a significant time in development and is still considered to be deliverable during this financial year. Funding sources include a grant from Sport Council Wales and a contribution from the friends of Pontcanna Riding School.

Venues and Cultural Facilities

17. A balance of £222,000 is available in 2020/21 from Capital budgets initially allocated in 2015/16 for priority works identified at St David's Hall (£350,000) and New Theatre (£295,000). The upgrading of the Building Management System at St David's Hall which commenced last year will be completed this year at a total cost of £415,000, with the balance to be met from the Council's property asset renewal budget.
18. Grant funding has been received from the Arts Council of Wales as part of the COVID-19 Cultural Recovery Fund from Welsh Government. The New Theatre has received £9,994 in respect of the purchase of protective equipment and St David's Hall has received £29,227, with £15,750 of this for an additional 21 seats in the auditorium.

Property & Asset Management

19. Property Asset Renewal works for administration buildings includes health and safety works at Ocean Park Arena, roof replacement at Cardiff Castle Visitor Centre, the Grassroots Building, Thornhill Crematorium, Llanover Hall and Cardiff Central Market and lift upgrades at County Hall and St David's Hall.

20. The Community Asset Transfer budget provides up to £25,000 for improvement works to buildings being taken on by third party organisations. A sum of £25,000 has been utilised to date for Llandaff Friends and there are no other known commitments for the remainder of the year. Payments are subject to progress on schemes and slippage of £98,000 is shown at this stage into 2021/22.
21. In respect of the former Virgin Active Tennis Centre, immediate health and safety as well as works to reconfigure the centre into separate, self-contained units has been completed at a cost of £1.750 million to create a local sports and club facility, the Ocean Park Arena. Rental and service charge agreements have been established with tenants and are subject to agreement. Works are currently being undertaken in respect to outdoor sports pitches in partnership with the House of Sport. In the absence of a land receipt from the site, these costs are paid for from capital receipts from the investment property strategy. Further work to replace the Air Handling units at an estimated cost of £250,000 is proposed to be paid for as part of the Property asset renewal budget.
22. In respect of Central Market, the council's phase one application for a scheme to provide interpretation and to restore and prevent further deterioration to the building has been approved by the National Lottery Heritage Fund. The development and design stage is expected to run to December 2021 and subject to this, there will be a final funding announcement in March 2022. The Council has allocated £450,000 capital funding over the next four years as well as an earmarked revenue reserve of £269,000. Expenditure during this year is forecast to be £21,000.

Harbour Authority

23. The Harbour Asset Renewal budget approved for 2020/21 is £262,000, to be spent on the purchase of a new crane to undertake barrage maintenance and refurbishment of railings at Penarth Marina.

Education and Lifelong Learning

24. The 2020/21 programme for the Directorate is £28.447 million, with overall slippage identified of £2.425 million primarily due to the delays in on site works across all schemes due to the COVID-19 lockdown restrictions at the start of the year, which offset an overspend of £2.605 million in relation to 21st Century Schools (Band A) and asset Suitability overspends.

Schools - General

Asset Renewal - Buildings

25. The Council asset renewal allocation of £5.601 million in 2020/21 includes an assumed £3 million WG grant for schools capital maintenance, in line with grants received in the prior two financial years. New working processes within the Asset Commissioning Board have provided a much more streamlined service and have

allowed priority works to progress well. Full expenditure is anticipated with the current programme including roof and boiler replacements, fire precaution works, safeguarding of lobbies and kitchen upgrades. Due to the current pressures on external funding sources the £3 million WG grant is unlikely to be awarded this year as resources are prioritised for the ongoing pandemic. In order to remain within budget the £25 million invest to save funding (approved in 2018/19) will be brought forward over the medium term to support the programme of works when required. The projections currently include utilisation of circa £2 million.

Asset Renewal – Suitability and Sufficiency

26. The Suitability and Sufficiency budget of £1.095 million includes £55,000 slippage brought forward from 2019/20. This budget is expected to be overspent in 2020/21 by £1.405 million due to the volumes of work identified and the improved speed at which works are being progressed. This expenditure covers a range of works including; security and safeguarding works on boundaries and receptions across the schools estate, as well as priority Disability Discrimination Act (DDA) adaptations. Works to the end of September cover 52 schools.

Whitchurch High

27. A £1.194 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. Given delays in construction across the programme it is assumed that there will be slippage of £629,000 with planning and cost consultation currently underway.

Welsh Medium Grant

28. A further grant of £1 million was awarded from WG in 2019/20 to improve Ysgol Y Wern under the Welsh Medium programme. Works on the project will be finalised this year, which 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 teachers training room in partnership with Cardiff Metropolitan, Welsh Government and the Central South Consortium. Full spend of the remaining £730,000 grant is anticipated in 2020/21.

Reducing Infant Class Sizes Grant

29. As part of an ongoing programme to reduce infant class sizes, Welsh Government agreed a £3.322 million grant funding package until 2021 for St Fagan's Primary, St Francis Primary and Oakfield Primary. The Oakfield project is now complete, with works on the St Fagan's project starting on site next month. St Francis is expected to commence later this year, with expected slippage of £1.695 million. WG have confirmed an extension to this grant allowing slippage into 2021/22 due to the difficulties in working on site caused by COVID-19.

Schools Organisation Plan – 21st Century Schools

30. The 21st Century Schools Band A programme has fully utilised Welsh Government grant funding of circa £66 million with final expenditure in 2020/21 expected to be £1.2 million including the demolition and security costs at the Michaelston site as part of the Cardiff High School in the West project. This is significantly higher than first planned due to delays in being able to start on site (COVID-19 related) and significant concerns relating to asbestos and other site contaminants. Outstanding Band A grant retentions will be utilised to fund this expenditure in the first instance with Invest to save picking up any additional spend.
31. Band B of the 21st Century Schools Programme has now commenced with an original funding envelope of circa £284 million, inclusive of the £82 million Mutual Investment Model (MIM) schemes – Willows and Cathays High. Non MIM schemes are to be funded by a Welsh Government grant award with match funding from Cardiff Council at a rate determined by the type of school. The timescales of the programme have been reviewed since the initial submission to Welsh Government and will continue to evolve as detailed business cases are developed.
32. The stage one and enabling works contracts for Fitzalan has commenced on site. Total spend anticipated in 2020/21 is £11.497 million out of the total £64.3 million allocated budget. The full business case has been agreed by Welsh Government. Additional VAT costs arising from the decision to opt to tax will be met through contingencies budgets within the scheme.
33. St Mary the Virgin is currently at design stage with the full business case currently being prepared for WG approval. Minimal expenditure is anticipated this year in line with cash flows projected in relation to design and survey costs.
34. The Doyle Avenue scheme aims to house three schools (Cantonian, Riverbank and Woodlands) on one shared campus. This is currently at the initial design stage, awaiting appointment of technical project management due to the complex nature of the scheme. Current projections are based on historic cost profiles and slipped for the impact of COVID-19 and delays in final design.

People & Communities

35. The total programme for 2020/21 is £14.125 million, with a variance identified of £2.958 million, the majority of which relates to slippage on regeneration schemes and housing.

Communities & Housing

Neighbourhood Regeneration

36. The Neighbourhood Renewal Schemes budget of £489,000, includes completion of schemes from 2019/20 in relation to street scene environmental improvements in Cathays and Riverside as well as implementation of a 3G sports pitch at Splott Park. Additional projects in development include a range of wellbeing improvements in Llanishen Park as well as environmental improvements on Cowbridge Road East and Llanishen Street.
37. Including slippage from the prior year of £26,000 the alley gating budget is £76,000 for priority schemes throughout the city. Subject to completion of consultation and legal procedures, full expenditure is currently forecast.
38. 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, a total of £1.3 million.
39. TRIP funding of £545,000 was approved towards Butetown Pavilion which is now complete following a delay in the acquisition of equipment and fit out as a result of COVID-19.
40. The Tudor Street Business Improvement Scheme focuses on the delivery of external improvements to commercial premises in Tudor Street, Riverside. Start on site was delayed by COVID-19 and progress continues to be dependent on the ability to enter properties. TRIP funding of £920,000 is approved for this £1.35 million scheme, expected to be complete by September 2021.
41. £1.630 million of TRIP funding has been approved for an environmental improvement and green infrastructure scheme at Tudor Road as part of a potential scheme totalling £3 million, subject to completion of a tender process and ability to access the site to undertake surveys to inform the design process. Whilst a start on site is expected this financial year, the need to spend funds allocated by Welsh Government this financial year and any flexibilities they are able to offer, will be an important area to monitor closely.
42. Schemes to create hubs at Rhydypenau and Whitchurch funded by Welsh Government MALD and Integrated Care Fund (ICF) grants were completed in August. Options are also being considered to create a comprehensive scheme at Rhiwbina, with initial design costs assumed in 2020/21 and subject to grant applications to Welsh Government. The funding from the ICF has already been secured and additional funding from MALD is currently being sought subject to the timescales for the delivery of the scheme.
43. 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 to supplement a Council allocation of £800,000, however the feasibility, viability and location of the scheme is being re-considered given the cost.

Housing (General Fund)

44. The Disabled Facilities Service budget for mandatory and discretionary grants to housing owner-occupiers as well as for administration costs for the grants is £4.550 million and includes an additional £750,000 p.a to meet additional demand and reduce waiting times. This expenditure allows housing owner-occupiers to continue living in their own home. Due to COVID-19, demand in the first quarter was weak and the focus was on the most critical cases. This has now changed as there have been a large number of referrals in the second quarter and business has resumed as normal. The current forecast of expenditure is £4.1 million but this is dependent on Welsh Government guidance and staff availability.
45. In addition, an Enable grant totalling £436,000 has been awarded in the year from Welsh Government to deliver additional adaptations.
46. An Intermediate Care Fund (ICF) grant of £660,000 and £1.644 million was received late in 2018/19 and 2019/20 respectively and utilised for disabled adaptations expenditure. In accordance with the terms in accepting the grant, the Council was required to carry forward its own displaced resources as slippage. This £2.304 million has now been returned to Welsh Government to be spent on agreed ICF priorities with the health board with further discussion taking place to ensure that where funding has been bid for by the Council, this is not lost as a result of not being able to incur expenditure by 31 March 2021.
47. 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 during the year include, Roundwood Estate, Arnold Avenue and Bronte Crescent. Design and consultation work on two schemes for implementation in 2021/22 are ongoing for Lincoln Court / Pennsylvania and Trowbridge Green. The budget will also contribute towards any requirement for enabling works as part of approved energy efficiency schemes, for which £100,000 is assumed whilst a Welsh Government led scheme is developed. There will be slippage of £200,000 into 2021/22 in respect of the energy scheme and to allow completion of existing schemes.
48. Acquisition of a site to expand the number of pitches at Shirenewton traveller's site took place in 2019/20 with total expenditure of £433,000. Demolition of buildings is being undertaken in parallel with options to determine the number of pitches on site prior to submission of a grant application to Welsh Government.
49. The Domestic Abuse One Stop Shop at the Cardiff Royal Infirmary site was built in partnership with the Health Board and will be run by RISE which is a consortium of organisations providing services to support women. Handover was

delayed as a result of COVID-19 whilst awaiting final interior elements to be installed.

50. Subject to finalisation of legal agreements and terms and conditions of funding from Welsh Government, the Council will trial the Private Rented Sector (PRS) Leasing Scheme between 2020 and 2027. The purpose of the Scheme is to improve access to longer term affordable and good quality housing, with tenancy support, in the PRS. The lessons learned from the trial of this scheme will support the development of a national scheme across all local authorities in Wales. The Scheme will support those who are homeless or are at risk of homelessness and provide tenants with longer term security of accommodation (up to 5 years) at a rent at local housing allowance (LHA) level. Under the scheme, the Council will provide support to tenants to help them to access and maintain their tenancies; reducing the risk of future homelessness by addressing their challenges quickly and responsibly. The Council will acquire quality properties for a period of 5 years; providing regular rental income to property owners at the relevant Local Housing Allowance rate less 10%. Detailed processes are being determined with further information on timescales, revenue and capital grants as well as loan funding to be provided by Welsh Government included in the programme in future monitoring reports.

Flying Start

51. The budget for Flying Start Capital schemes for the year totals £152,000. This comprises of allocations for furniture and ICT for Ely and Caerau Children's Centre and Greenway Primary (£45,000 and £47,000 respectively), alongside a sum of £60,000 for refurb works at seven nursery sites across Cardiff. It is anticipated that all works will be completed by year-end.

Childcare Capital Grant

52. WG grants in relation to Childcare total £382,000 to continue to support sufficient childcare places to meet demand. Slippage of £155,000 is expected in relation to St Mary the Virgin and childcare for the new Welsh Medium childcare, due to dependency on other projects progressing first. The remainder is estimated to be fully utilised in 2020/21, with the St Pauls Childcare works fully completed (£182,000).

Social Services

Children's Services

53. Proposals from the remaining John Kane Fund include an extension and refurbishment of the Crosslands home. With projected costs in excess of the budget available and the need to mitigate the impact of the works on service delivery, no expenditure is currently assumed during the year.
54. Expenditure of £370,000 is assumed to acquire a property and develop it for short stay assessment accommodation for Children looked after as part of the 'Right Home, Right Support' commissioning strategy.

55. An Integrated Care Fund grant of £300,000 over two years is available 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. The grant will be fully utilised in 2020/21.

Planning, Transport & Environment

56. The 2020/21 programme for the Directorate is £43.942 million, with a variance identified of £6.164 million. This is primarily in relation to slippage of highway maintenance and cycling development projects. A range of grants have been approved by Welsh Government, in most cases, with a requirement to undertake expenditure by 31 March 2021. Schemes and associated preparatory works will need to progress promptly in order to maximise utilisation, with early discussion with grant funders in order to mitigate this risk.

Energy Projects & Sustainability

57. A number of energy schemes totalling circa £1.3 million are proposed to be undertaken under the second phase of the REFIT programme. Subject to approval of a repayable Salix loan, expenditure is forecast to be undertaken during 2021/22.
58. In May 2019, Cabinet approved the final business case to deliver a solar farm at Lamby Way. The Solar Farm is a long term invest to save project which is assumed to be self-financing over its operational life which is in excess of 30 years. In reaction to the COVID-19 crisis, the contractor left the site in March and returned in June, resulting in a delay in the works. However, installation of the panels is now complete with first electricity generation following connection to the grid expected in early November. The critical next phase in terms of timing and maximising income is the installation of a private wire which is dependent on undertaking works within a set window of opportunity that does not impact on wildlife. In the event that this cannot commence in early November, this may need to be postponed until April 2021. The total cost of the scheme once fully complete is likely to have increased, largely due to COVID delays and a higher than modelled cost for commissioning the private wire. The total cost is currently expected to be in excess of £8.5 million including the initial grid connection.
59. The Council has been offered grant funding of £6,628,000 for Phase 1 of the Cardiff Heat Network project from the Department of Business, Energy and Industrial Strategy (BEIS). This is subject to the outcome of a procurement exercise to appoint a contractor to design, build, operate and maintain the network and subsequent approval of the final business case and funding by Cabinet. Terms are also being drafted for an interest free loan of £8.6 million from Welsh Government to the Council. This will be utilised by a Special Purpose Vehicle which will be wholly owned and set up by the Council to deliver this project.

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

Bereavement & Registration Services

61. A contract for works to create new burial space in the North of the city is currently on site and forecast to be complete by January 2021. The projected outturn is £2.520 million and no slippage is assumed at this time. Any expenditure must be repaid from future income receivable as part of the bereavement reserve.
62. As part of the budget proposals for 2020/21, a segregated asset renewal allocation for bereavement services was created for works such as footpaths and infrastructure, vehicles and plant as well as improvements to key buildings. Expenditure during 2020/21 is expected to be £85,000 in excess of the initial £275,000 budget, primarily as a result of the replacement of the lining of the three cremators earlier than planned. Other expenditure in year includes site infrastructure improvements and lighting.

Recycling Waste Management Services

63. The five-year capital programme includes £3.325 million to explore options for a new household waste recycling / reuse centre. No expenditure is forecast to be incurred during the year until a suitable site is identified, resulting in slippage of £200,000.
64. The Capital programme for 2019/20 included an allocation of £815,000 to roll out a separate glass collection scheme. The Council is working with Welsh Government, WRAP and Local Partnerships on the Recycling Service Strategy Development and to evaluate, plan and implement a cost-effective waste management system that meets current and future Welsh Government and Council targets and aspirations. Opportunities for grant support will be considered as part of any agreed approach. The budget has been profiled and moved to the 2021/22 financial year.
65. Ultra Low Emission Vehicles (ULEV) funding of £45,000 has been awarded to purchase 2 light commercial electric vehicles for collection and management of waste in the city centre.
66. Funds previously allocated for fire safety measures in relation to the Materials Recycling Facility (MRF) equipment and building are to be used for a range of infrastructure improvements at depot and recycling sites. This includes CCTV, barriers for health and safety, weighbridge and vehicle wash upgrades. Current projections show that budgets allocated in future years will need to be brought forward. Property asset renewal works include shower and drying facilities for staff at Lamby Way, with other schemes being considered to support improvement of site operations.

Highway Maintenance

67. Expenditure on the reconstruction of structurally deteriorated roads which are deemed to be a priority is forecast to be £757,000. Site investigations will determine the most appropriate treatment to address their condition and form the basis of any tender exercise. Church Road in Pentyrch is expected to be completed by mid-November, by which time other prioritised sites are planned to be confirmed and ready to progress.
68. The budgets for carriageway and footway works total £7.106 million including slippage from 2019/20. Budgets for footways has been re-prioritised to carriageways as social distancing requirements currently make the delivery of such works difficult as well as costly. £1.925m worth of resurfacing, micro asphalt and grouted macadam works have already been delivered. Contracts for additional resurfacing, patching, micro asphalt resurfacing and a number of other treatments will be let during the remainder of the year. In order to avoid slippage, assessment of priorities and immediate actions should be put in place in order to ensure works can be procured and completed.
69. The five year capital programme includes a sum of £2.240 million to replace the timber surface of the Millennium Walkway which is deemed to be at the end of its expected lifespan. Works entail the replacement of the timber decking and supporting bearers using reinforced plastic components along the length of the walkway from Wood Street to Cowbridge Road East/Castle Street along the River Taff. Following a trialling of materials, a tender process is underway, with the timing of any works subject to decisions in respect to the Dragons Heart temporary hospital site.
70. The bridges and structures budget of £1.835 million will support St Fagan's Road and Llandennis Road culvert works as well as any capital works arising from assessment reports from North Road flyover. The budget will also be used to match fund a number of small scale flood defence schemes attracting Welsh Government grant, planned to be undertaken during the year. Slippage of £835,000 is currently forecast and is to be re-prioritised in future years.
71. The street lighting infrastructure budget is to be utilised for subway lighting, column replacement and also to start the design process for electrical works on Eastern Avenue. Implementation of the latter continues to be delayed resulting in overall slippage of £608,000 into 2020/21.
72. Following a successful trial of LED lighting in the Radyr Ward, with the conversion of 1,250 columns, Cabinet approved in May 2019, an invest to save business case for all remaining residential columns to be converted to LED at a potential cost in excess of £6 million. A procurement exercise is currently being undertaken. Expenditure assumed during the year is £1.5 million.
73. 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. 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 Welsh Government. 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

74. The Council Road Safety Schemes budget of £335,000 will be used to match fund safety related schemes being delivered as part of Welsh Government grants.
75. The enhanced asset renewal telematics budget of £524,000 is to be used for replacement of obsolete analogue CCTV cameras at various locations with HD digital CCTV cameras, replacement of electronic signage / control system for the North Road tidal flow lane control system and Bute Tunnel entrance electronic signage.
76. The total budget for cycling development in 2020/21, including slippage from the prior year, is £2.674 million, which will be used to match fund WG grant funded schemes for primary cycleways and completion of schemes such as North Road Phase II. Opportunities will be considered to supplement WG grant to introduce additional pop up cycling facilities. Slippage of £1.212 million is forecast, in line with the current delivery programme.
77. A sum of £375,000 Council match funding is included in the Capital Programme to help secure a range of Welsh Government grants where match funding is required. Together with slippage from 2019/20 this is to complete a range of schemes for Local Transport, Safe Routes in Communities and Road Safety. Current estimates suggest slippage of £106,000, but with Welsh Government terms and conditions requiring all grant to be utilised by 31 March 2021, this may increase towards the end of the year.
78. The Council's City Centre and Key Links Transport Improvement budget of £1.259 million is to be utilised towards schemes in the City Centre in future years in line with the delivery programme. However, for 2020/21, a Metro+ grant approval has been received of £405,000 which will be used towards the design of City Centre Eastside.
79. A Local Sustainable Transport COVID-19 Response Grant of £3.619 million has been approved by Welsh Government for 2020/21. It includes funding for pop up cycle measures, infrastructure to support social distancing measures; 20 mph limits on key routes, and public realm enhancements for spill over pedestrian areas and low-cost solutions to reallocate road space in favour of sustainable forms of transport.
80. The Welsh Government allocation to Cardiff for the Local Transport Fund is £2.899 million. The fund supports development of integrated, effective, accessible, affordable and sustainable transport systems. Schemes bid for and

approved include £2.649 million towards improving sustainable transport infrastructure and tackling local and national air quality issues at City Centre West (Central Square) and City Centre South (Fitzalan Place / Bute Terrace). It also includes £250,000 towards implementation of 20 mph limits in various areas to encourage active travel and improve quality of life for residents.

81. The Resilient Roads Fund of £1.673 million is to support transport projects that mitigate and adapt to the effects of climate change, including addressing disruptions caused on the highway network by severe weather. Schemes supported are the A470 Bus Corridor improvement; Caedelyn Road to Tyn y Parc Road and the A4119 Bus Corridor improvement – Phase 2D. The Council's bus corridor improvement budget of £80,000 will be slipped to match fund these schemes in 2021-22 to maximise grant expenditure, as the construction programme runs into April.
82. Whilst bids were submitted for the Welsh Government Local Transport Network Fund, no bids were approved.
83. The Welsh Government Road Safety Casualty Reduction grant approval was lower than estimated at £271,000, which along with slippage of £101,000 will support capital projects that reduce road casualties including traffic calming and pedestrian improvements on Crwys Road.
84. Safe Routes in Communities Grant of £285,000 along with slippage of £17,000 aims to improve accessibility and safety and encourage walking and cycling in communities. There is particular emphasis on improving routes to and from schools within the Canton area.
85. Welsh Government Grant available for Active Travel is £4.875 million. 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 will support Cardiff Cycle Superhighways stage 1 (£2.773 million), Taff Trail upgrade at Hailey Park (£460,000), Active Travel to Schools (£579,000) and an allocation of £1.063 million for various improvements to the Integrated Network Plan.
86. A number of transport and environmental projects were initially assumed to be paid for from income arising from the Civil Parking Enforcement Account. This includes on street residential charge points and charge points in various council locations. Due to the impact of COVID-19 on the level of income receivable, budgets allocated for these purposes have been removed pending a review of affordability and feasibility of funding these projects with alternative sources of funding.
87. In relation to moving traffic offences, expenditure of £325,000 is to be incurred on purchasing motion cameras and £181,000 for attended parking stationary cameras. This expenditure is on an invest to save basis, to be repaid from future parking and enforcement income.

88. Slippage is shown in relation to development of the transport interchange on the site of the former recycling site at Waungron Road, which is proposed to be delivered in parallel with the housing scheme. Planning permission has been received, however delivery is dependent on design works in respect to the housing development and also completion of Network rail improvements to the retaining wall and Fairwater train station.
89. In order to comply with the requirement of the Environment Act 1995 – Air Quality Direction 2019, Welsh Government provided a grant for a range of agreed measures including Bus retrofit (£2.25m); Taxi vehicle emissions incentive (£1.86m); City Centre transport and active travel (£15.2m); completion of 20mph (£1.28m); Implementation management and monitoring (£0.65m). As part of the City Centre Transport projects, works have commenced on improvements at Central Square as part of a £7.5 million scheme. Works are currently expected to be complete in February 2022.

Resources

90. The 2020/21 programme for the Directorate is £17.848 million with a variance of £4.482 million, mainly due to slippage of City Deal projects.

Technology

91. The Modernising ICT budget aims to support projects in the Cardiff Capital Ambition programme and the digitisation of business services utilising modern technology. Expenditure planned during the year includes a final contribution towards the roll out of SharePoint (Electronic Document Management System), Digitalisation projects and SAP archiving. Expenditure of £300,000 is currently forecast for the year.
92. The ICT Refresh budget of £866,000 will support a range of projects to support resilience, capacity and capability such as core network switch replacement, telephony rationalisation, the update of firewalls and computer suite CCTV in County Hall. Expenditure of £741,000 is currently forecast for this year.

Central Transport Services

93. Following the acquisition of the waste collection and gritting fleet following the collapse of Gullivers, a proportion of the waste fleet is now at the end of its useful working life with maintenance costs having significantly increased and reliability reduced. Various vehicles including 12 Refuse Collection Vehicles (RCV's) have been procured outright rather than leased, using the Council's Invest to Save approach. Grant has been received in order to be able to procure an electric RCV. Whilst the vehicles have been procured and owned by the Council, processes will need to be put in place to recover initial and recurring investment costs from directorate revenue budgets over the agreed life of the assets, in the same way that financial commitments would have had to be undertaken without fail, were the vehicles to have been leased. This will ensure that the lease versus buy approach remains, affordable and sustainable.

Corporate

94. In respect of the contingency budget of £200,000, given that it is early in the financial year, this is shown projected to be fully required, although as the year progresses, any under spend will be used to reduce the level of borrowing assumed in the Capital Programme.
95. The £500,000 invest to save budget for small schemes has not been requested to be drawn down for approved schemes to date. This will be reviewed and adjusted in future monitoring reports if schemes are approved during the year.
96. Including slippage from 2019/20, the 2020/21 programme includes an allowance of £3.672 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. The timing and value of any drawdown is subject to proposed projects being considered and approved by CCRCD joint committee, but is also dependent on the different funding streams available to CCRCD to manage expenditure obligations. Current assumptions are that any expenditure will be managed within existing resources held by City Deal and accordingly, slippage of £3.672 million will be carried forward into 2021/22 and reviewed as part of forecasts to be included in the CCRCD updated Annual Business Plan.
97. To allow the development of a housing viability loan scheme across the region, Cardiff Council agreed to be the recipient of a £10 million repayable loan from Welsh Government. The scheme final business case and detailed operational procedures were approved by Regional Cabinet in September 2020. Future monitoring reports will include loan expenditure as part of this scheme as it is incurred.
98. An overall allocation of £9.750 million was included in the programme over a three-year period for the Core Office Strategy – Digital Infrastructure project with £2 million of this assumed in 2020/21. This was towards smarter working, digital infrastructure and minor building adaptations to allow consolidation into alternative council buildings including County Hall. Drawdown of this allocation is subject to any expenditure being repaid on an invest to save basis, and subject to further reports to Cabinet on Wilcox House and Core Office proposals.
99. In respect to infrastructure and equipment for webcasting Council meetings, procurement has been delayed due to COVID-19, but this has also necessitated a change in specification to allow meetings to be Hybrid i.e. some attendees in the chamber or meeting room and some attending remotely. Expenditure of £20,000 is assumed at this stage whilst options are considered.
100. Council in October 2020, approved the release of £7 million included in the 2020/21 capital programme to support financial viability of Cardiff City Transport Services Limited. This equity investment is for a range of measures to support the balance sheet and allow a turnaround plan to be implemented. This includes replacement of vehicles, improvement of working capital and implementing a restructuring exercise to support financial sustainability.

**CYNGOR CAERDYDD
CARDIFF COUNCIL**

**POLICY REVIEW & PERFORMANCE
SCRUTINY COMMITTEE**

10 November 2020

Willcox House Relocation

Appendices 1-9 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraphs 21 of part 5 of Schedule 12A of the Local Government Act 1972.

Purpose of this Scrutiny Report

1. To summarise papers advising the Cabinet of the position in respect of one of the Council's three core offices, Willcox House, in preparation for scrutiny of the proposed decision to negotiate suitable terms for a short-term extension to the lease; and to relocate staff and services currently based at Willcox House.

Structure of the Papers

2. To facilitate the pre-decision scrutiny the following papers and confidential appendices are attached to this report:

Appendix A: Cabinet Report: 12 NOVEMBER 2020

Appendix 1: Section 25 Notice (Willcox House)

Appendix 2: Heads of Terms (Willcox House)

Appendix 3: Staff/Service Relocation Report

Appendix 4: ARC Relocation Report

Appendix 5: Site Details (ARC Relocation)

Appendix 6: Heads of Terms (ARC Relocation)

Appendix 7: Valuation Report

Appendix 8: Surveyor Report (Willcox House)

Appendix 9: Finance Report

Structure of the meeting

3. If Members wish to ask questions pertaining to confidential appendices 1-9 of the papers the Chair will move that this item be considered in a closed session.
4. To present the Willcox House relocation proposals and answer Members' questions the following will attend this remote Microsoft Teams meeting:
 - Councillor Russell Goodway, Cabinet Members Investment and Development;
 - Neil Hanratty, Director of Economic Development;
 - Chris Barnett, Operational Manager Economic Development; and
 - Giles Parker, Head of Property, will attend the remote Microsoft Teams meeting.

Scope of the Scrutiny

5. The Committee will receive a presentation and briefing on proposals:
 - to release the Council from a long-term lease commitment of Willcox House;
 - to relocate essential ICT infrastructure to a preferred site; and
 - to relocate staff to existing core offices.

Members may wish to test the principals and protocols of the proposals in line with corporate policies and previous concerns expressed by the committee. Members have the opportunity to explore key factors shaping the issues and proposed solutions, the financial implications of the proposals to the Council, whether there are risks to the Council within the proposals, and next steps and timelines.

Background

6. The Committee's Terms of Reference confer responsibility for scrutiny of the Council's property estate. This is comprised of both '*operational*' property from which the Council operates and delivers its services, and '*non-operational*' or 'investment' property which is often let for commercial return or to promote local employment, small

businesses and the economic regeneration of local areas. The Council's operational and non-operational estates both fall within the Investment and Development Cabinet Portfolio.

7. The Council has a five year Corporate Property Strategy (2015-20) in place, establishing clear targets to deliver the three strategic objectives of modernisation, rationalisation and collaboration. In relation to the core office estate it outlines that the Council's office footprint will need to reflect the move to more modern working practices; the office estate is outdated, in extremely poor condition and in need of significant investment and modernisation; there are opportunities to develop a more sustainable property portfolio, with a lower carbon footprint; and substantial investment will be required to bring retained office buildings up to a standard that would make them fit for purpose over the next 30 years.
8. The Council's overall policy of 'fewer but better' operational buildings, outlined in Capital Ambition, the Corporate Plan and the Property Strategy, is seen as critical to delivering improved services, a more productive workforce with improved wellbeing, a reduced carbon footprint and lower overall cost.
9. The majority of staff normally based at Willcox House, County Hall and City Hall are currently working from home. The Cabinet report of 11 June 2020 *Restart, Recover, Renew: Next Steps for Cardiff during the Covid-19 Crisis* recognised the impact of the pandemic on current and future working arrangements. With working from home entrenched as the 'new normal', the Council now has a real opportunity to change services for the better with long-term implications for the organisation's sustainability and carbon footprint. As remote working continues, analogue and paper based processes will be progressively replaced by digital systems, presenting an opportunity to embed smarter working that will require a smaller office footprint longer term.
10. Willcox House is occupied under a 15-year lease agreement due to expire on 1 March 2021. It accommodates approximately 700 staff including the Council's C2C Contact Centre and switchboard, the security and surveillance team, the Telecare team, the Alarm Receiving Centre (ARC), and the Social Care Emergency Duty Team (EDT).

Issues identified in the Cabinet Report

11. The landlord of Willcox House has served the Council notice to terminate the existing lease on the contractual expiry date of 1 March 2021, proposing terms for a new lease. **(Appendix 1)**. Attached at **Appendix 2** is the Council's agreed Heads of Terms for a short-term lease extension to allow for the vacation of Willcox House and the relocation of staff and ICT infrastructure.
12. **Appendix 3** provides a high-level summary of the work required to transfer all staff out of Willcox House by 1st March 2021. The Council's Change Delivery Team is determining new working requirements within existing accommodation to enable the office-based workforce to operate with more agility, where home working and remote working are the norm.
13. Three services currently located at Willcox House must suffer no disruption, downtime, or lapse in service in moving location. The ARC, the Emergency Duty team (EDT) and Telecare services team provide 24/7 'life and limb' type services. **Appendix 4** sets out independent advice on options for their relocation including layouts, design, building works and ICT requirements for the preferred location. The recommended solution is to deliver a standalone ICT site that will house the relocation of the ARC and Disaster Recovery services from Willcox House, but also have the long-term capacity to relocate other ICT services such as the Data Centre and Telematics from County Hall.
14. **Appendices 5 & 6** set out the marketing details and agreed terms for the proposed new site, offering the Council the opportunity to meet the required timescales, merge the Telematics service, and relocate the current Data Centre contained at County Hall. External valuation advisors have confirmed that the purchase price represents market value **(Appendix 7)**.

Proposed Recommendations to Cabinet

15. The report attached at **Appendix A** recommends that the Cabinet delegates authority to the Director of Economic Development, in consultation with the Cabinet Member for

Investment and Development, the Director of Communities, the Monitoring Officer and the Section 151 officer to:

- I. Agree a 12-months extension of the Willcox House lease with a 6-month rolling break to manage the transition of staff and services out of Willcox House.
- II. Complete the acquisition of the property set out in Confidential Appendix 5 and in line with the terms set out in Confidential Appendix 6 to enable the relocation of the ARC (Alarm Receiving Centre) and the Disaster Recovery Unit from Willcox House.
- III. Progress the relocation of staff and services from Willcox House as set out in Confidential Appendix 3.
- IV. Progress a Disaster Recovery Strategy.

Way Forward

23. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 1-9**. Members will be invited to agree the meeting go into closed session should they wish to discuss this information.

Legal 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 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

17. 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 Committee is recommended to

- I. consider the information presented in this report and at the meeting; and
- II. make any comments or recommendations on the proposals listed at point 15 above, to inform the Cabinet's decision programmed for 19 November 2020.

Davina Fiore

Director of Governance & Legal Services

4 November 2020

WILLCOX HOUSE RELOCATION

**INVESTMENT & DEVELOPMENT
(COUNCILLOR RUSSELL GOODWAY)**

AGENDA ITEM:

Appendices 1-9 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraphs 21 of part 5 of Schedule 12A of the Local Government Act 1972.

PORTFOLIO: INVESTMENT AND DEVELOPMENT

Reason for this Report

1. To seek authority to negotiate suitable terms for a short-term extension to the lease of Willcox House following the expiry of the existing lease in March 2021 to facilitate the transition from Willcox House by March 2022 as part of the rationalization of the Council's core office estate.
2. To seek authority to relocate staff and services based at Willcox House, including the Alarm Receiving Centre and associated ICT infrastructure.

Background

3. The Council's Property Strategy 2015-2020 *Fewer but Better Buildings* established the ambition to reduce the Council's operational footprint to reflect changes to the way in which public services are delivered. The key themes of the strategy are:
 - To develop a more modern portfolio of assets which supports and assists delivery of front-line services, costing less to run and maintain.
 - To work closely with Public Sector and Community partners to identify opportunities for property and service collaboration
 - Disposal or relinquishment of assets to deliver capital receipts and targets relating to the cost of the operational estate.

4. In terms of the core office estate, the strategy outlines a number of key issues:
 - The Council's office footprint will need to reduce substantially to reflect the changing size and shape of the organization and the move to more modern working practices.
 - Significant parts of the Council's office estate is outdated, in extremely poor condition and in need of significant investment and modernisation.
 - The replacement of the Council's 'core' office requirement offers the greatest potential for delivering measurable improvements in property performance. This also offers significant opportunities to develop a more sustainable property portfolio, with a lower carbon footprint.
 - Substantial additional investment will be required to bring any retained office buildings up to a standard that would make them fit for purpose over the next 30 years.
5. Capital Ambition, the Administration's five-year policy programme, re-emphasised a commitment to modernizing the Council's core office requirement and commits to take forward a new Core Office strategy for the Council's key operational buildings. Capital Ambition also includes a specific ambition to continue the Property Strategy's 'fewer but better' buildings principle, committing to an approach to rationalise and de-carbonise the Council's operational estate.
6. The Council's Corporate Plan 2020-2023 outlines how Capital Ambition will be delivered. The Corporate Plan includes the specific objective to deliver fewer but better Council buildings through a review of the Council's existing estate.
7. The Council's overall approach to operational buildings outlined in Capital Ambition, the Corporate Plan and the Property Strategy is predicated on the impact that its estate has on the way people access services, how services are delivered, the cost of delivering services, as well as its environmental footprint. Addressing these issues through the 'fewer but better buildings principle' is seen as a critical approach to delivering improved services, a more productive workforce with improved wellbeing, a reduced carbon footprint and a lower overall cost.
8. In addition, the Council's Workforce Strategy 2018-2021 sets out key priorities and future activities that are required to ensure we have a workforce to meet the ambitions set out by Cabinet in Capital Ambition. One of the key priorities is embedding and further developing an approach that maintains and improves the health and wellbeing of employees through the improved use of the Council's operational estate.
9. On 28 March 2019, the Council resolved to declare a global climate emergency. Given that a significant proportion of the Council's footprint resides with its operational estate, this only raises the importance of

promoting the key Property Strategy objective of delivering buildings with the highest environment standards.

10. Whilst the policy background of the Council's operational estate was well established prior to the Coronavirus pandemic, the *Restart, Recover, Renew: Next Steps For Cardiff During The Covid-19 Crisis* Cabinet report of 11 June 2020 recognised the impact of the pandemic on current and future working arrangements.
11. The report outlined that "Digitisation has been stepped up across the board. With working from home entrenched as the 'new normal' among much of the workforce, the Council has a real opportunity to change services for the better with long-term implications for the organisation's sustainability and carbon footprint. As remote working continues, it will be increasingly difficult for analogue and paper based processes to function effectively and so they will need to be progressively replaced by digital systems."
12. The Restart Plan, attached as an appendix to the *Restart Recover, Renew: Next Steps For Cardiff During The Covid-19 Crisis* report, committed to the completion of a return to the office strategy that would establish new ways of working in light of the COVID-19 pandemic and support more flexible working arrangements. Due to the pandemic the majority of staff normally based at Willcox House, County Hall and City Hall are currently working from home. A recent corporate survey issued to office-based staff highlighted that the vast majority of staff surveyed wanted to continue flexible working arrangements, including working from home, either on a full-time or part-time basis. This has afforded an opportunity to embed smarter working across the council and this will result in the long-term requirement for a smaller office footprint. Our future office accommodation should afford staff the choice of how they work, with more emphasis on hot desking and collaboration and innovation spaces being readily available in our core office estate.

Willcox House

13. Willcox House is one of the Council's Core Office buildings. It is occupied under a 15-year lease agreement commencing 2 March 2006 and due to expire on the 1 March 2021. Within the lease agreement, the Council is responsible for all repairs, maintenance and running costs. Approximately 700 staff from the People and Communities Directorate and staff from the Customer and Digital Services team (including the contact centre and switchboard) are based in the building.
14. The Council's security and surveillance team along with the Telecare team are also based in the building within a modified space to accommodate the Alarm Receiving Centre (ARC). Willcox House also hosts the Social Care Emergency Duty Team (EDT) who operate their 24 hours a day.
15. In light of the Property Strategy and the pending expiry of Willcox House lease, together with the impact COVID-19 has had on the Council's working arrangements, the Council has secured and considered

independent professional advice on options available at lease expiry in March 2021. The independent advice also outlines associated costs including commentary on dealing with any relevant dilapidations claim from the Landlord.

Issues

16. Under the provisions of the Landlord and Tenant Act 1954, the landlord has the ability to serve a notice offering new terms at lease expiry to the tenant. The landlord is required to serve this notice between 6 and 12 months in advance of the termination date. A valid Notice was served by the landlord to terminate the existing Willcox House lease on the contractual expiry date of 1 March 2021, however as part of the Notice the Landlord also proposed terms for a new lease. **(See Confidential Appendix 1).**
17. In light of the notice served and the relocation timelines involved, the Council has agreed Heads of Terms for a short-term lease extension to allow for the vacation of Willcox House and the relocation of staff and ICT infrastructure. **(See Confidential Appendix 2).**
18. As part of relinquishing the Willcox House lease consideration has been given to the services currently operating out of the building. As part of this process, the Council's Change Delivery Team has commenced engagement to determine new working requirements within existing accommodation. **(See Confidential Appendix 3).** This report provides a high-level summary of the work that is required to transfer all staff out of Willcox House by 1st March 2021.
19. The Council is also currently mapping service area requirements as part of its Restart and Recovery strategy for corporate offices. The Willcox House vacation project links directly with this strategy and the long-term aspirations of enabling the office-based workforce to be able to operate in a more agile way of working, where home working and remote working is the norm.

Alarm Receiving Centre (ARC)

20. The ARC, the Emergency Duty team (EDT) and Telecare services team provide 24/7 'life and limb' type services. As part of the relocation of Willcox House, the Council must ensure that there is continuity for the services provided by the ARC and other key services. There can be no disruption, downtime, or lapse to these services. In response, the Council appointed advisors to review options for the relocation of the ARC and ICT infrastructure contained within Willcox House. The review considers site options and outlines layouts, design, building works and ICT requirements for the preferred location. **(See Confidential Appendix 4).**
21. The recommended solution is to deliver a standalone ICT site that can initially house the relocation of the ARC and Disaster Recovery services

from Willcox House, but have the long-term capacity to relocate ICT services such as the Data Centre and Telematics from County Hall.

22. The site for the recommended relocation is circa 2.25 acres, with an existing building of circa 9,900sqft with car parking for circa 50 vehicles. See attached marketing details and agreed terms for the acquisition. **(Confidential Appendices 5 & 6).**
23. The preferred site solution offers the Council the opportunity to meet a number of key requirements and the opportunity to deliver within the required timescales as well as avoid significant abortive costs. This site also allows the Council the opportunity to develop ICT services with the ability to merge services such as Telematics and others in the future and the capacity to relocate the current Data Centre contained within County Hall.
24. The Council instructed external valuation advisors who have confirmed that the purchase price represents market value. **(Attached as Confidential Appendix 7).**
25. The Council has also considered a number of options with regards the relocation of the Councils core ICT Disaster Recovery. These options are set out within **(Confidential Appendix 4)**. The recommended solution is to relocate these services to the new site.

Reason for Recommendations

26. To release the Council from a long-term lease commitment of Willcox House in line with the Corporate Strategy and the Council's Property Strategy.
27. To deliver a relocation of essential ICT infrastructure including the ARC and the Councils core ICT Disaster Recovery to maintain and improve services.
28. To approve the process of relocating staff from Willcox House to existing Council core offices, in line with newly adopted working practices.

Financial Implications

29. As set out in the above report, the Council has been served with a section 25 notice by the landlord of Willcox House giving notice to vacate the building by March 2021. Council officers have therefore developed an options appraisal considering a number of different options in response (renew lease, buy or vacate) and concluded that vacating Willcox House is the best financial option in the long term in order to achieve the Council's stated ambitions. **(see Confidential Appendix 9)** for further details of financial benefits).
30. In order to achieve vacation of Willcox House within the relevant timescales there is a requirement for capital investment. This capital investment will include the costs of relocating staff and services who

currently occupy Willcox House, any associated enabling works and adaptations required to County Hall in order to accommodate relocated staff, items such as furniture and ICT equipment required to enable smarter working, the relocation of Disaster Recovery Unit, project support costs etc. Details of these costs can be seen in **Confidential Appendix 9**.

31. The Council is also aware that there will be a dilapidations liability associated with ending the lease on the property and will therefore be required to reach a dilapidations settlement with the landlord. **(Confidential Appendix 8)** sets out details of anticipated dilapidations costs. These costs are also incorporated within the overall costs shown in **Confidential Appendix 9**.
32. In order to facilitate the specialist requirements of the ARC, a separate options report has been commissioned to determine the best value solution for the relocation of this critical service. This report identifies a preferred property as the optimal solution for the re-provision of the ARC.
33. The acquisition and fit out of the preferred location is therefore included within the Financial Summary attached at **(Confidential Appendix 9)**. As per appendix 9, whilst relocating ARC to a standalone building has a higher initial capital cost than the alternative solution in County Hall, it was deemed that relocating to a standalone building is the best value solution overall as this is considered to be a more permanent long-term solution for the ARC, but also potentially the data centre and co-location of Telematics in the future. For this reason, relocating to a standalone building avoids potential abortive costs associated with providing an interim solution in County Hall, whilst also providing the Council with greater flexibility for co-location of critical services as a long term solution which will achieve additional operational benefits.
34. The acquisition costs for the building in relation to the relocation of the ARC and associated ICT infrastructure are supported by an independent valuation as detailed in **(Confidential Appendix 7)**. These costs, as well as adaptation works and necessary equipment to ensure no disruption, down-time or lapse to the ARC services have been included into the financial summary. However, all ancillary costs will need to be explored in further detail to determine final costs.
35. The capital costs of this project will be funded on an 'Invest to Save' basis utilising the funding identified within the approved Capital Programme for delivering the 'Core Office Strategy'. The revenue impact of these initial capital costs will be repayable from the revenue savings generated from vacating Willcox House. The Financial Summary in **Confidential Appendix A** suggests that this will result in a significant annual net revenue saving to the Council. There is also significant cost avoidance on future capital costs that would otherwise be required to invest in Willcox House.
36. It is not currently anticipated that the relocation of staff into County Hall will result in increased running costs for the building given Covid-19 restrictions and imminent implementation of smarter working policies

which will mean the number of staff occupying the building is unlikely to increase from previous years. On this basis it is assumed that the running costs of County Hall or alternative premises will be met from within existing budgets. Any budgets to be funded from the Housing Revenue Account (HRA) should be proportionate to the HRA services provided to tenants from the new accommodation arrangements and should be suitably reviewed periodically.

37. Vacating Willcox House will generate revenue savings against the Council's core office estate, although in order to fully capitalise on this, and avoid the risk of potential abortive costs, a long-term Core Office strategy that fits changing working practices will be developed and implemented. Embedding and enhancing some of the positive changes to working practices that have materialised in response to the Covid-19 pandemic, in particular a smarter working culture and new agile working practices, will be developed to facilitate benefits outlined in the report, e.g. allowing the Council to reduce its gross internal area, reduce running costs etc.
38. As detailed within the report there are a number of operational requirements to consider for the variety of different services currently operating from Willcox House. The project timescales are tight in terms of this project both for vacating the staff from Willcox House, as well as re-providing the essential ARC services elsewhere, in line with the deadline for vacation of the building. The options appraisal assumes the vacation and ICT requirements for these services are re-provided within these timelines. Any delays are likely to negatively impact on the capital and revenue expenditure required to meet the programme for relocation of staff and services.

Legal Implications (including Equality Impact Assessment where appropriate)

39. The Council is in occupation of the premises as a secure business tenant afforded the protection of the Landlord and Tenant Act 1954 part II ("the Act"). A secure business tenancy may be terminated by a Landlord by service a section 25 notice, in this case offering terms for renewal of the tenancy. If the Council does not wish to renew terms, it will be required to vacate the premises and deliver up possession to the Landlord by the expiry date provided in the section 25 notice.
40. If the Council is minded to stay in possession, then prior to expiry of the section 25 notice, the Council will either need to agree terms for such renewal as required, or submit an application to court to settle terms of the renewal, otherwise its statutory protection is lost and it must vacate the premises.
41. The Council's acquisition of a new lease is a statutory right. The Council's Disposal and Acquisition of Land Procedure Rules requires the decision maker to have regard to valuation advice in relation to the proposed lease terms, but in the event of a dispute, may ultimately be determined by application to court.

Generic advice

42. When exercising any delegated authority under the scheme of delegations the decision maker should be satisfied that the decision is a) within budget and b) in accordance with the Council's policy framework. All decisions taken must have regard to the Council's fiduciary duty to its taxpayers and be reasonable and proper in all the circumstances.

Equalities Impact Assessment/public duties

43. 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

44. 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.
45. In discharging its duties under the Act, the Council has set and published wellbeing objectives designed to maximise its contribution to achieving the national wellbeing goals. The wellbeing objectives are set out in Cardiff's Corporate Plan when exercising its functions, the Council is required to take all reasonable steps to meet its wellbeing objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the wellbeing objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
46. The wellbeing 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

47. 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>

HR Implications

48. Trade Unions and employees have been consulted on the contents of this report. These consultations will continue as part of the process of transfer of staff to any new locations.

RECOMMENDATIONS

Cabinet is recommended to delegate authority to Director of Economic Development, in consultation with the Cabinet Member for Investment and Development, the Director of Communities, the Monitoring Officer and the Section 151 officer to:

- (i) Agree a 12-months extension of the Willcox House lease with a 6-month rolling break to manage the transition of staff and services out of Willcox House.
- (ii) Complete the acquisition of the property set out in Confidential Appendix 5 and in line with the terms set out in Confidential Appendix 6 to enable the relocation of the ARC (Alarm Receiving Centre) and the Disaster Recovery Unit from Willcox House.
- (iii) Progress the relocation of staff and services from Willcox House as set out in Confidential Appendix 3.
- (iv) Progress a Disaster Recovery Strategy.

SENIOR RESPONSIBLE OFFICER	Director Name
	Date submitted to Cabinet office

The following appendices are attached:

- Confidential Appendix 1 - Section 25 Notice (Willcox House)
- Confidential Appendix 2 - Heads of Terms (Willcox House)
- Confidential Appendix 3 - Staff/Service Relocation Report
- Confidential Appendix 4 - ARC Relocation Report
- Confidential Appendix 5 - Site Details (ARC Relocation)
- Confidential Appendix 6 - Heads of Terms (ARC Relocation)
- Confidential Appendix 7 - Valuation Report

Confidential Appendix 8 - Surveyor Report (Willcox House)

Confidential Appendix 9 - Finance Report

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**CYNGOR CAERDYDD
CARDIFF COUNCIL**

**POLICY REVIEW & PERFORMANCE
SCRUTINY COMMITTEE**

10 November 2020

HOMEWORKING TASK & FINISH INQUIRY

Reason for this Report

1. To seek Committee's agreement to the commencement of an inquiry into Homeworking, and for the Terms of Reference that will form the focus of its work.

Background

2. The Committee has discussed its work programme for 2020/21 at both remote meetings since its restart in September 2020, during which capturing the experience of homeworking during the Covid-19 pandemic to inform future policy in delivering Council services was identified as a priority.
3. At its meeting on 13th October 2020, the Committee agreed to proceed with an inquiry into Homeworking across the Council. To date three Members have volunteered to undertake this inquiry on behalf of the Committee. Councillor Walker will chair the Task and Finish group, alongside Councillors Mackie and Bowen-Thompson.

Way Forward

4. Attached at **Appendix A** is a proposed Scoping Summary Sheet for the inquiry, setting out timescales, and potential contributors to the inquiry. Also

attached at **Appendix B** is a draft research proposal to support the work of the task group.

5. If any additional Member(s) wishes to put themselves forward for this task group please advise the scrutiny officer.

Legal Implications

6. 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 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

7. 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

8. The Committee is recommended to consider the Scope and the Research Proposal, and agree the Terms of Reference for the Homeworking task group inquiry.

Davina Fiore

Director Governance & Legal

4 November 2020

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SCRUTINY INVESTIGATION SCOPING EXERCISE SUMMARY SHEET

PROPOSED TOPIC: Home & Agile Working	
PROPOSED TYPE OF SCRUTINY INVESTIGATION: Inquiry	
Proposed Terms of Reference	To examine how the experience of working remotely during the pandemic can inform future policy on autonomy at work, operating within a culture of care and trust.
Task & Finish Recommended.	Yes
Stakeholders	<p>All Members of the Council</p> <p>Cabinet Members</p> <p>Senior Management (Chief Executive, Corporate Directors, Directors, Chief officers, Operational Managers)</p> <p>Employees</p>
NUMBER OF MEETINGS REQUIRED	
Meeting 1 Committee 13 October 2020	Internal Evidence Setting the context – Presentation from relevant Cabinet Member / Senior officers Cllr Weaver, Paul Orders, Chris Lee, Tracey Thomas, Donna Jones, Isabelle Bignall.
Meeting 2 Early December 2020	Briefing, agree way forward Receive overview of desk based literature research. Nicola Newton, Principal Scrutiny Officer Gladys Hingco, Principal Scrutiny Researcher
Meeting 3 January 2021	External Evidence Receive evidence from two external organisations expert at autonomous working
Meeting 4	Receive final report of primary research evidence

Late February/early March 2021	Gladys Hingco, Principal Scrutiny Researcher
Meeting 5 March/April 2021	Sum Up Meeting – consideration of all information received during the Inquiry and agree way forward for draft report/recommendations Consideration of draft report/recommendations

<p>PROPOSED REPORTING ARRANGEMENTS</p> <ul style="list-style-type: none"> • Investigation to be undertaken between October and March 2021 • Report to be considered by the Scrutiny Committee – April 2021 • Report from Scrutiny to Cabinet - April 2021
<p style="text-align: center;">Potential Outputs/Outcomes from this investigation</p> <p>To produce a report that:</p> <p>Uses the evidence gathered to make recommendations to the Cabinet to inform future policy on autonomy at work within a culture of care and trust.</p>

Research Brief

Scrutiny Committee	PRAP
Scrutiny Topic	Home & Agile Working How the experience of working remotely during the pandemic can inform future policy on autonomy at work, operating within a culture of care and trust
Lead researcher	Therese Gladys Hingco
Project deadline	March 2021
Date of proposal	October 2020

Research Aims

To establish:

- The empirical and perceptual impact of homeworking on Council employees (*those line managed and managers*) during the COVID-19 period
- What learning can be taken from the experience of Council employees
- What arrangements and support would create an effective and successful homeworking experience for Council employees?
- What can we learn externally about home working best practice?

Objectives

More specifically, this research will identify the impact of homeworking by focussing on the following:

- **Employee performance and productivity** and the reason for any variation in performance or productivity.
- **Team related performance** or teamwork, contribution and delivery of team outputs, information exchange i.e. sharing of information and transfer of knowledge
- **General job satisfaction** including the individuals satisfaction with
 - the current homeworking pattern or arrangement,
 - the volume of work,
 - the outputs and outcomes delivered,
 - their control and autonomy over tasks and working arrangements, and
 - their overall attitude and enthusiasm towards their work.
- **Career aspirations** and progression
- **Commitment to organisational values**, ethos and goals
- **Relationships with co-workers** i.e. formal (work related) and social interactions, trust, including impacts of social and professional isolation
- **Work-life balance** - balancing of work and home commitments
- **Individual well-being**, personal/family relationships
- **Individual physical and mental health**

This research will also identify the working arrangements and types of support that would enable effective and successful homeworking. This will include specifically looking into:

- **the role of managers** in promoting effective communication, trust, performance management and supporting individual and team training and development
- access to appropriate technology/equipment and **ICT support**

- support for ensuring effective **work-life balance**
- support for staff **health and well being**

Type of research

Two approaches will be taken for this research:

Literature and document based review looking into past and current research on the impact and effectiveness of home working, as well as the arrangements and the types of support that enable effective and successful homeworking. This will provide information on those aspects that cannot be covered by the surveys.

Quantitative research – Undertake a survey, routed accordingly, to establish the views of home working line managed employees and managers separately. This will provide data to establish the differences in the views of managers and employees on issues and on the effectiveness of home working

Timelines

Timelines for reporting will be :

w/c 7th December 2020 – Desk Based Research Report

w/c 8th March 2021 – Survey Findings

Research sources

Line managed staff from various service areas of the Council.

Managers from various service areas of the Council

Relevant literature on autonomous working

Resources

Additional staffing capacity to assist quantitative analysis i.e. seek available support form staff at members Services

Human resources assistance in identifying and targeting respondents to the survey

Outputs / deliverables and dissemination

What outputs are expected? E.g. written and/or oral reports, presentations, draft reports, debrief. Will records of the interviews/group discussions be available?

Literature based review – Explore current trends and issues around homeworking that cannot be covered by the empirical research. This will also be useful in forming the topic areas that should be covered by the primary research elements of the project. Summary to brief the T&F on key topics.

Primary Research Report – report of quantitative survey findings on the subject areas identified

Presentation to the Task and Finish group

Potential problems

Are there any potential problems that could impact upon the research through the availability of respondents, lack of resources etc.

Agreed

Name & signature	Date
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