

ENVIRONMENTAL SCRUTINY COMMITTEE

27 FEBRUARY 2023

Present: Councillor Owen Jones(Chairperson)
Councillors Derbyshire, Gibson, Green, Lancaster, Lewis,
Lloyd Jones, Jackie Parry and Wood

Shifa Shahzad and Charlotte Bowen

59 : APOLOGIES FOR ABSENCE

No apologies for absence.

60 : DECLARATIONS OF INTEREST

No declarations of interest.

61 : MINUTES

The minutes of the meeting held on 12 January 2023 were approved by the Committee as a correct record.

62 : DRAFT CORPORATE PLAN 2023-2026 AND DRAFT BUDGETARY PROPOSALS 2023/24

The Committee received a report providing Members with an opportunity to scrutinise those sections of the draft Corporate Plan 2023-26 and draft 2023/24 Budget Proposals that related to the Cabinet Portfolios and service areas within the remit of the Committee. The Cabinet will consider the Committee's comments and recommendations prior to finalising their budget proposals. The draft Cabinet budget proposals will be taken to the Cabinet Meeting on 2 March 2023 for agreement and the Cabinet's budget recommendations would then be considered by Council at its meeting on 9 March 2023.

Members were advised that the 2023-26 Corporate Plan sets out the Council's strategy framework and addresses the administration's priorities as detailed in its policy statement 'Stronger, Fairer, Greener'. The Corporate Plan indicates how the authority will deliver and monitor progress on the following well-being objectives:

- Cardiff is a great place to grow up
- Cardiff is a great place to grow older
- Supporting people out of poverty
- Safe, confident and empowered communities
- A capital city that works for Wales
- One Planet Cardiff
- Modernising and integrating our public services

The report provided a summary of the background and context within which the draft budget proposals have been set and how the draft budget proposals and the draft Capital Programme align with the Corporate Plan 2023-26.

The report indicated that Cardiff will receive a 9.0% increase in Aggregate External Finance in 2023/24 – equating to £48.165 million in cash terms. The above average settlement was linked data highlighting population changes and the number of children in receipt of free school meals.

Specific grant announcements show a £63 million increase overall (at an all-Wales level), although several grants will undergo notable changes. Grants totalling £41 million will cease in 2023/24, whilst £32 million of funding is yet to be confirmed. The most significant changes include an additional £132 million to support non-Covid rate relief in the Retail, Leisure and Hospitality sector, and a reduction of £55.75 million (74%) in the Childcare Offer which will now be paid directly to private childcare providers. Cardiff has received confirmation that its Housing Support Grant will remain at its 2022/23 level of £21.9 million in 2023/24, with indications that it will continue at that level until 31st March 2025.

The final settlement is not expected until early March 2023. The report highlighted one expected change in the final settlement in relation to Fire and Rescue Authority pensions.

A summary of the revenue budget was set out in the report. The summary indicated a budget gap of £24.216 million. The following strategies would be implemented to address the budget gap.

- Efficiency Savings (10,090)
- Corporate Savings and Measures (3,000)
- Reduction in Financial Resilience Mechanism (1,800)
- Service Change Proposals (2,776)
- 3.95% Council Tax Increase (net effect after impact on CTRS) (6,550)

TOTAL (£24.216 million)

The report provided further details on each of the strategies set out above.

Efficiency Savings would be made up from a review of staffing arrangements (£3.385 million); reductions in premises costs (£0.197 million); reductions in external spend (£2.813 million); and increase in income and grant maximisation (£3.695 million).

Corporate Savings and measures would include £1 million reduction to the Council's General Contingency Budget (from £2 million to £1 million); £1 million reduction to the Adult Services specific contingency budget (from £3 million to £2 million); and £1 million savings to corporate budgets including Council Tax Reduction Scheme and Insurance.

The Financial Resilience Mechanism (FRM) is a £3.8 million budget that was established to help the Council deal with funding uncertainty. It is used to invest in priority areas, but investment is one-off and determined each year. It was also proposed that the FRM be reduced by £1.8 million in 2023/24.

The service change proposals that will impact on existing levels of service, and details of the consultation undertaken with effected users, were summarised in Appendix 5b and 7a of the report.

A Council Tax increase of 3.95% would generate a net additional income of £6.550 million.

The report also provided an overview of the draft Capital Programme for 2023/24 to 2027/28/ The proposed 2023/24 Budget outlines capital expenditure proposals of £1.413 billion for the financial years 2023/24 to 2027/28, of which £314 million is earmarked for 2023/24.

63 : CORPORATE OVERVIEW

The Chairperson welcomed Councillor Chris Weaver, Cabinet Member for Finance, Modernisation and Performance, Chris Lee, Corporate Director Resources and Ian Allwood, Head of Finance to the meeting.

Following a statement from the Cabinet Member the officers delivered a presentation providing an overview of the 2023-24 Budget Proposals.

The Chairperson invited Members of the Committee to comment, seek clarification or raised questions on the information provided. Those discussions are summarised as follows:

- Officers were asked whether they were confident that the anticipated level of grant funding would be achieved. The Head of Finance stated that there is an element of risk both in terms of revenue and capital grants. Capital grants are tend to be grants provided for specific schemes and these long-term schemes are reliant on Welsh Government approval. In terms of revenue grants, funding tends to be on a 1-year basis and if these are being used to provide a service then there is an element of risk. Officers were confident that revenue grant funding would be available for the next 2 or 3 years. However, the Medium Term Financial Plan (MTFP) will be refreshed during that term and the security of grant funding will be considered as part of that.
- Officers confirmed that the budget proposals include a reduction of 9.6 FTE posts in services which fall within the remit of the Committee.
- Members asked where the £1.7 million overspend at Month 9 in Waste Management has arisen. Members were advised that there was a significant issue around the volatility of income received by the service. Appendix 2 of the Month 9 monitoring report provided more detail.
- Comments were requested on the proposal to introduce 100% Council Tax premium on empty properties. The Cabinet Member stated that two different

premiums would be brought forward. Currently there is a 50% premium on long-term vacant properties. The proposal would increase this to 100% from March 2023 and it was anticipated that this would raise an additional £300,000 which would be directed to supporting housing costs and addressing homelessness. The second option in relation to introducing a 100% Council Tax premium on second homes is currently being consulted upon. If taken forward then this premium can only be introduced from 2024/25. The 100% premium was chosen as there would be a cost to collecting the premiums and there was also potential for some properties to seek exemptions. The 100% premiums will be monitored, particularly to identify whether empty homes are being brought back into use. If the authority wished to vary either premium in the future then this can be introduced in the following tax year, subject to consultation.

- Members asked for clarification on the corporate policy for increasing fees and charges. The Head of Finance stated that there was a wide range of fees and charges across the authority. Each directorate will have a strategic approach to their fees and charges. A number of components are considered along with what the fees and charges are aiming to achieve. For example, some charges are income generating – some fees and charges are aimed at behaviour change – some fees and changes aim to achieve both income generation and behaviour change. The Council Tax premium and moving traffic offences were good examples of these. The accountancy teams will work closely with colleagues within the directorates in terms of agreeing appropriate levels of fees and charges. Members were advised that an Income Policy Framework will be introduced into the budget strategy from July 2023. The Corporate Director Resources stated that the authority is still in a transition period following the covid-19 pandemic, particularly in areas where income generation is a key driver and therefore finance officers are mindful not to overstretch income assumptions.

RESOLVED – That the Chairperson writes to the Cabinet Member on behalf of the Committee to convey any comments, observations and recommendations made during the way forward.

64 : WASTE MANAGEMENT AND RECYCLING

The Chairperson welcomed Councillor Caro Wild, Cabinet Member for Climate Change and officers from the Economic Development directorate.

Following a brief statement by the Cabinet Member, the Committee were invited to comment, seek clarification or raise questions on the information received. Those discussions are summarised as follows:

- Members asked whether the proposal to reduce the opening hours in HWRC's could lead to an increase in flytipping and what the service area was doing to minimise those risks. Officers stated that the intention was to ensure that there will always be at least one HWRC facility open every day. The HWRCs are operating at 50% on low-use days at present (Tuesdays and Wednesdays) so it was anticipated that the closing of each HWRC on alternate days would not affect

the overall amount of recycling received. The proposals would require the workforce to change their work patterns and consultation with the trade unions regarding the proposals was ongoing. Officers confirmed that the proposed decision to close was data led. Staff working hours would be reduced to 37 hours, their current contracted hours, wherever possible. There would be no job losses as a result of the proposal.

- Members asked whether there were any plans to continue with the programme of 'pop up' recycling centres. Officers advised that the 'pop up' centres worked reasonably well at the start of the programme but after a while usage reduced significantly. Consideration was now being given to providing facilities for vulnerable users who did not have access to cars and the potential to pilot mobile facilities during the coming year. The mobile facilities would use specific locations around the city in order to collect materials that cannot be collected by kerbside collections such as wood, small electrical items, etc.
- Members asked whether there were any plans to improve recycling from communal bins in particular. Officers stated that the segregated recycling scheme is currently being rolled out to standard housing stock throughout the city. Once that phase is completed there would be increased focus on flats and HMOs. Officers were aware that communal bins facilities were being misused at various locations throughout the city and discussions were taking place around improving security and who has access to those bins. A pilot scheme is also underway providing segregated aperture bins to flats for paper/card but not general waste.
- Members noted that £815,000 was set aside in the budget for a review of implantation of approved options arising from a review of the Recycling Service Strategy. Members asked for a breakdown of that figure and whether that would include the cost of purchasing vehicles. Officers indicated that the figure was not related to the base budget and would not be used to purchase vehicles. The sum would be allocated towards 'one off' costs such as reusable bags and communication/engagement with residents. The pilot schemes have provided an indication of the resources required to deliver a segregated recycling service over a period of 12 months.
- Members asked what budget was made available to purchase the new vehicles required. Officers stated that the budget for vehicles would not change significantly. A new type of vehicle would be introduced for separate glass collections and these vehicles will be financed from glass recycling income. The model represents a sustainable cost-neutral position moving forward.
- Members asked for an update on the authority's commitment to find a site for a recycling facility in the north of the city. Officers recognised that a recycling and reuse facility was needed in the north of the city. Discussions were ongoing with 3rd sector partners with a view to potentially establishing a re-use initiative. The

Director of Economic Development assured the Committee that the provision of a facility in the north of the city remains a priority for the administration.

- Members noted that charges for bulky waste collections had increased by 60% and a booking fee of £5 had also been introduced. Members asked whether the booking fee was additional or included within the total cost, the rationale for the increase and for comments on the potential impact on flytipping. Officers stated that the digitalisation of the bulky waste collection service had increased the amount of materials being collected. The charge for the waste being collected was unchanged. The booking fee was additional to the fee charged and it was introduced in order to minimise inefficiencies. Evidence shows that large numbers of people book bulky waste collections but do not subsequently present any waste for collection. The Director stated that it was anticipated that the introduction of a booking fee would reduce time wasting and subsequently lead to an improvement in performance. This would consequently help reduce the risk of flytipping.
- A Member asked whether it was possible to reduce the amount of single use plastic bottles provided to pupils in schools. Officers stated that the authority is promoting re-fill facilities and is currently installing re-fill station in high use buildings in the city centre. A step-change was anticipated in the next few years in this regard. The authority is also working with schools to improve their arrangements. Officers considered that plastic bottles are not problematic if they are properly recycled.
- Members noted that HWRC were operating at 50% capacity at certain times. Members asked whether interrogation of the data available would allow an opportunity to be more flexible with opening hours, to reflect the hours residents wish to use the facilities, and thereby increase efficiency. Officers stated that good data was available from HWRCs since the booking system was introduced. Usage throughout the day has been looked at. There is low usage at certain times and on certain days. The options to curtail hours or close on a certain day was publicly consulted upon. The consultation favoured closing on a certain day. Officers suggested that the provision of an efficient kerbside collection service has an effect on usage at HWRCs.
- Officers confirmed that the capital allocation set aside in the budget was allocated for the provision of a recycling centre in the north of the city. Members noted that no revenue funding was allocated at present. Officers were asked whether it was anticipated that a future 3rd sector partner would be expected to take on the revenue cost. Members were advised that consideration is being given to working in partnership with a group of voluntary sector organisations, each with a distinct role, with Keep Wales Tidy potentially having an over-arching role and Cardiff Council providing governance. Some revenue funding would be available via grants from Welsh Government. The Director of Economic Development reminded members that any proposals would be subject to a full business case, which would include the capital costs and revenue funding, prior to

approval by the Cabinet. Officers advised that the costs set aside in the budget were indicative and would allow for a business case to be developed quickly if a suitable site is identified.

- Members asked officers to comment on the likely impact the new waste collection system would have on budgets. Officers stated that the pilot and the Welsh Government's blueprint model indicated that the vehicle fleet would need to be increased by approximately 20 vehicles. Specialised vehicles will be required for each type of collection – e.g. the food waste vehicle will be sealed, the glass collection vehicle would be insulated to limit noise, etc. A number of vehicles will be hired so rounds can be rebalanced in the future if necessary. The current segregated collection scheme model for standard collections in regular housing stock is cost neutral. The costs associated with segregated collections in HMOs and flats will need to be modelled in the future.

RESOLVED – That the Chairperson writes to the Cabinet Member on behalf of the Committee to convey any comments, observations and recommendations made during the way forward.

65 : CLIMATE CHANGE

Following a brief statement by the Cabinet Member, the Director of Planning, Transport and Environment provided a presentation. The Committee were invited to comment, seek clarification or raise questions on the information received. Those discussions are summarised as follows:

- Members requested further details regarding the strategy for providing real-time air quality monitoring. Members were advised that a network of air quality monitoring stations is installed across the city and there were plans in place to increase the number of stations further. However, the responsible officer has left the authority and the post has yet to be filled.
- Members noted the £300,000 set aside for the low-emission taxi vehicles pilot. A Member considered that the moratorium on the number of vehicle licences permitted in the city was acting as a barrier to participation in the pilot. Officers were asked to explain how the £300,000 would be allocated. The Director stated that those issues were being worked through as part of the Taxi Strategy, including discussion around how to create incentives to develop a low-carbon taxi fleet in the city. It was accepted that the current arrangements, whereby vehicles are purchased and leased back to members of the trade, were unsatisfactory. The scheme is being reviewed and best practice in this area around the UK is being considered.
- Responding to a point raised by a Member of the Committee, the Director stated that the cross-border taxi issue was a regional issue and was within the remit of the Welsh Government.

- Members asked whether EV charging points for the taxi trade would be considered as part of the transition plan. The Director stated that opportunities to identify suitable locations for charging points were being investigated.
- A Member asked whether SUDs schemes including provision for the treatment of sewage. Members were advised that SUDs schemes relate to the treatment of surface water only. SUDs schemes are compulsory in developments of more than 1 unit.

RESOLVED – That the Chairperson writes to the Cabinet Member on behalf of the Committee to convey any comments, observations and recommendations made during the way forward.

66 : TRANSPORT AND STRATEGY PLANNING

The Chairperson welcomed Councillor Dan De'Ath, Cabinet Member for Transport and Strategy Planning and officers from the Planning, Transport and Environment directorate.

Following a brief statement by the Cabinet Member, the Committee were invited to comment, seek clarification or raise questions on the information received. Those discussions are summarised as follows:

- In respect of the increase in charges for bereavement services, Members asked whether support would be provided for low-income households or whether charges could be means tested. The Director stated that Cardiff has been cautious around increasing charges in this area. The charges are benchmarked against other authorities and are low than average. The Director agreed to provide further details of the support provided for low-cost funerals following the meeting.
- Members referred to the changes in costs for residents parking permits. It was understood that historically the costs of a second permit was high in order to deter second car ownership. Members asked why the differential between first and second permits was not maintained. Members also asked whether there was any scope for increasing the costs of permits based upon the vehicle size or emissions in future. The Director stated that the differential between first and second permits was not logical and it had not been reviewed for over 10 years. The charges now seek to benchmark against other UK cities. Cardiff is charging significantly less than comparators. The opportunity to use vehicle size or emissions to calculate the permit charge was complicated and may disadvantage those who were unable to afford new/electric vehicles. The proposal was rated red/amber as there was likely to be high public interest and scrutiny.

- A Member anecdotally observed that when a local school crossing patrol was removed the number of parents driving children to school increase and this had an adverse effect on air quality and congestion. The Director stated that school crossing had been invested in and improved. Locations are very closely monitored in terms of their safety.
- Members asked whether recent announcement regarding funding for buses were presenting any challenges for the Bus Strategy. The Director stated that there were concerns regarding the support provided to bus services in the city. The Welsh Government supported routes during the pandemic but that support is now been pulled back.
- The Director confirmed that Cardiff's parking charges compare favourably with other cities in the region. The intention is to remain just below the average cost charged in other cities.
- Responding to a question from the Committee, the Director confirmed that the charge for pre-application consultation on planning applications is a statutory fee set by legislation. The service is looking at the possibility of bringing forward supplementary charges which would better represent the value of the service offered for larger developments. Planning Performance Agreements would also enable a more targeted service and separate funding regime in terms of pre-application advice.

RESOLVED – That the Chairperson writes to the Cabinet Member on behalf of the Committee to convey any comments, observations and recommendations made during the way forward.

67 : URGENT ITEMS (IF ANY)

No urgent items.

68 : DATE OF NEXT MEETING

Members were advised that the next Environment Scrutiny Committee is scheduled for 16 March 2023.

The meeting terminated at 7.20 pm