

CABINET: THURSDAY, 23 NOVEMBER 2023 at 2.00 PM

A Cabinet Meeting will be held in the CR 4, County Hall - Multi Location Meeting on at 2.00 pm

A G E N D A

- 1 Minutes of the Cabinet Meeting of 19 October 2023 *(Pages 3 - 8)*

Finance, Modernisation & Performance

- 2 Budget Monitoring – Month 6 Report *(Pages 9 - 68)*

Investment & Development & Finance, Modernisation & Performance

- 3 Indoor Arena Funding Strategy *(Pages 69 - 228)*

Tackling Poverty, Equality & Public Health

- 4 Advice Service Contract Recommissioning *(Pages 229 - 264)*
- 5 Achieving a Sustainable Youth Work Offer for Cardiff *(Pages 265 - 282)*
- a Correspondence

PAUL ORDERS

Chief Executive

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**CARDIFF COUNCIL
CYNGOR CAERDYDD**



MINUTES

CABINET MEETING: 19 OCTOBER 2023

Present	Councillor Huw Thomas (Leader) Councillors Peter Bradbury/ Julie Sangani (job share) Councillor Jen Burke Councillor Dan De'Ath Councillors Norma Mackie/ Ash Lister (job share) Councillor Sarah Merry Councillor Lynda Thorne Councillor Chris Weaver Councillor Caro Wild
Observers:	Councillor John Lancaster Councillor Rodney Berman
Also:	
Officers:	Sarah McGill, Corporate Director Chris Lee, Section 151 Officer Richard Crane, Solicitor Claire Deguara, Cabinet Office
Apologies:	Councillor Russell Goodway Paul Orders, Chief Executive

140 MINUTES OF THE CABINET MEETING OF 21 SEPTEMBER 2023

The minutes as amended were approved.

141 SCHOOL ORGANISATION PLANNING: PRIMARY SCHOOL PLACES TO SERVE CATHAYS AND PARTS OF GABALFA, HEATH, LLANDAFF NORTH AND PLASNEWYDD

Cllr Chris Weaver and Norma Mackie declared a personal and prejudicial interest in this item, as they are Governors at Gladstone Primary School, Cllr Weaver and Mackie left the room for consideration of this item.

Cllrs Burke declared a personal interest in this item, as her children attend a school in an affected ward.

Cllr Merry declared a personal interest in this item, as she is ward member for the area.

Cllr Sangani declared a personal interest in this item, as she is a ward member for an affected area.

Cabinet received a report bringing forward responses received following consultation on proposals regarding the provision of primary school places to serve Cathays and parts of Gabalfa, Heath, Llandaff North and Plasnewydd.

It was noted that on 23 March 2023, the Council's Cabinet agreed to hold public consultation on three options to expand Welsh-medium primary school provision and consolidate English-medium primary school provision to improve the balance provision to serve Cathays and parts of Gabalfa, Heath, Llandaff North and Plasnewydd. In total 213 responses were received including 189 online/hardcopy responses, 17 formal responses, 2 school council responses and a further 5 email responses.

It was highlighted that the proposed changes would take effect from September 2025, subject to the Governing Body of St Monica's Church in Wales Primary School considering the outcome of the consultation and their agreement to proceed.

It was noted that a further report will be provided to the Cabinet providing details of any objections received, the proposed responses to those objections and recommendations for implementation or otherwise of the proposals, and sources of funding for the full set of proposals.

RESOLVED: that

1. the consideration by the Governing Body of St Monica's Church in Wales Primary School of the proposal to transfer St Monica's Church in Wales Primary School to the current Ysgol Mynydd Bychan site and establish nursery provision at the school, from September 2025 be noted.
2. Subject to the agreement of the Governing Body of St Monica's Church in Wales Primary School to proceed to publish its proposals, Officers be authorised to proceed to publish proposals in accordance with section 48 of The School Standards and Organisation (Wales) Act 2013 on proposals to:
 - Transfer Ysgol Mynydd Bychan to the current Allensbank Primary School site.
 - Increase the capacity of Ysgol Mynydd Bychan from 192 places (0.9FE) to 420 places (2FE) and increase the number of nursery places at Ysgol Mynydd Bychan from 64 to 96.
 - Amalgamate Allensbank and Gladstone Primary Schools:
 - Formally Close Allensbank Primary School.
 - Formally Close Gladstone Primary School.
 - Establish a new 420 place (2FE) English-medium Primary School with nursery on the current shared Gladstone Primary School / St Monica's Church in Wales Primary School site.

The proposed changes would take effect from September 2025.

3. It be noted that, prior to implementation of the proposals, financial resources must be identified to facilitate the process of organisational change of establishing the new two form entry primary school and the transfer of St Monica's Church in Wales Primary School.
4. It be noted that, prior to implementation of the proposals, a further report will be provided to the Cabinet providing details of any objections received, the proposed responses to those objections and recommendations for implementation or otherwise of the proposals, and sources of funding for the full set of proposals.

142 FLEET VEHICLES SPOT HIRE CONTRACT

Cabinet received a report seeking approval to commence a procurement exercise for spot hire of vehicles via the Welsh Government Commercial Delivery Framework. The estimated value of the contract is £6.1m.

It was noted that Central Transport Services (CTS) provides hire facilities for all departments across the Council, this is undertaken currently using the Welsh Government framework in order to source hire vehicles on a short-term spot hire basis, up to a maximum of 3 years. The Council's fleet currently comprises of 957 vehicles. This is made up of 382 leased, 273 owned and 302 spot hired vehicles. The report provides details on the procurement process to be undertaken.

RESOLVED: that

- 1) the procurement process of the Council Fleet spot hire requirement via the Welsh Government Commercial Delivery (WGCD) Framework for the provision of spot hire vehicles WGCD Ref: NPS-FT-0110-2 be approved.
- 2) the high-level evaluation criteria set out in the report for the direct award to a single supplier for lots 1 and 2 with Lot 3 run as a mini competition as an when a vehicle of this type is required be approved.
- 3) Authority be delegated to determine and generally deal with all aspects of the procurement process and ancillary matters up to and including the awarding of the contract to the Corporate Director, Resources in consultation with the Cabinet Member for Finance, Modernisation and Performance, the Cabinet Member for Climate Change and the Director of Governance and Legal Services.

143 PROCUREMENT OF LIQUID FUELS

Cabinet received a report seeking authorisation to commence a procurement exercise in relation to the Council's procurement of liquid fuels. It was noted that the previous arrangements had expired during the pandemic, and interim arrangements expire on the 1 February 2024. The procurement exercise, detailed within the report will ensure the Council's secures a competitive price for procured liquid fuels.

It was highlighted that the Council remains committed to a low carbon future as set out in the One Planet Cardiff Strategy, which states the Council's intention to cease the procurement of fossil fuelled vehicles by 2025, with a commitment to a fully low carbon fleet by 2030.

RESOLVED: that

- 1) The procurement process via mini competition for the supply of liquid fuels for the Councils fleet via the National Procurement Services framework WGCD - FT-0122-23 for a period up to the 12th of April 2027 be approved.
- 2) The high-level evaluation criteria set out in this report be approved.
- 3) Authority be delegated to the Corporate Director, Resources in consultation with the Cabinet Member for Finance, Modernisation and Performance, the Cabinet Member for Climate Change and the Director of Governance and Legal Services to determine and generally deal with all aspects of the procurement process and ancillary matters up to and including the awarding of the contract.

144 FAIRWATER COMMUNITY CAMPUS BAND B REDEVELOPMENT

Appendices 2 and 4 to this report is exempt from publication on the basis that it contains information of the description set out in paragraphs 14 and 21 of Part 4 of schedule 12 A of the Local Government Act 1972 and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information and is exempt from disclosure as it contains information pursuant to paragraph 16 of the Local Government Act 1972

Cllr Peter Bradbury declared a personal interest in this item as he is a Governor on the Western Learning Federation.

Cabinet considered a report requesting authorisation of funds (outlined in Confidential Appendix 2, subject to Ministerial approval of the Final Business Case) from the Council's Sustainable Communities for Learning Band B Programme to enable commencement of the main works required to progress the Fairwater Community Campus.

It was highlighted that the Fairwater Community Campus is one of the flagship capital projects which brings together Cantonian High School, Woodlands School and Riverbank School. The project will –

- Increase the capacity of Cantonian High School from 6 forms of entry (6FE) to eight forms of entry (8FE) with sixth form provision for up to 250 pupils in new build accommodation;

- Expand the Specialist Resource Base (SRB) for learners with an Autism Spectrum Condition (ASC), hosted at Cantonian High School from 20 to 30 places in purpose-built accommodation in the new school buildings;
- Transfer Woodlands Special School to Cantonian's existing site and increase the capacity from 140 places to 240 places in new build accommodation; and
- Transfer Riverbank Special School to Cantonian's existing site and increase the capacity from 70 to 112 places in new build accommodation.

The report highlights progress to date and notes challenges around budgetary pressures and inflation increases, at the meeting it was noted that the project had secured planning permission.

RESOLVED: that

- (i) subject to Ministerial approval, the funds from the Council's Sustainable Communities for Learning Band B Programme (outlined in the Confidential Appendix 2) of the Final Business Case be authorised for use to enable commencement of the main works required to progress the Fairwater Community Campus.
- (ii) the commitment made for the early works orders to progress the project at risk ahead of entering into contract for the main works be noted.

145 TENDER FOR COUNCIL INSURANCE POLICIES INCLUDING CLAIMS HANDLING FROM 1 APRIL 2024

Appendices 1 and 2 to this report are exempt from publication pursuant to the provisions of Schedule 12A Part 4 Paragraph 14 of the Local Government Act 1972

Cabinet considered a report seeking authorisation to invite tenders for the renewal of Council's insurance policies, including claims handling.

It was noted that they were last tendered in 2019 for a 5-year period and are therefore due for renewal next Spring. The report details the high-level criteria used to evaluate bids received and provides full details of the procurement process.

RESOLVED: that

1. the invitation of tenders be authorised via the YPO Insurance DPS for the Council's insurance policies including Liability, Motor, Property and Miscellaneous and claims handling services for an initial period of 3 years from 1st April 2024 with an option to extend for a further period of up to 2years in accordance with the Contracts Procedure Rules.
2. the high-level evaluation criteria set out in the report be approved.
3. Authority be delegated to Corporate Director, Resources in consultation with the Cabinet Member for Finance, Modernisation and Performance, to

determine and generally deal with all aspects of the procurement process (including and not limited to the breakdown of the evaluation criteria and issuing of documentation) and ancillary matters up to and including the awarding of the contract.

146 ANNUAL COMPLAINTS REPORT

Cabinet received the Annual Complaints and Compliments report for the 2022-2023 period. It was noted that a total of 3,071 (Corporate) complaints were recorded. A 15.5% decrease from the previous year. A total of 1,265 compliments were recorded. This is an 14.9% decrease from the previous year, when 1,487 compliments were recorded. In relation to Ombudsman complaints, it was noted that no cases proceeded to formal investigation during the 2022/23 period.

The change in patterns of complaints was noted, with a reduction in complaints related to waste, and a slight increase housing complaints related to the backlog of repairs, the service are seeking to address this by setting up an online system for response repairs.

It was highlighted that a recommendation from the Policy Review and Performance Scrutiny Committee requested that Social Services complaints be included in the Annual Complaints report. It was noted that there is a separate statutory process for complaints related to Social Services however Officers will consider whether overall figures could be included in this annual report going forward.

RESOLVED: that the contents of the report be noted.

147 SEVENTH CARDIFF LOCAL DEVELOPMENT PLAN ANNUAL MONITORING REPORT

Cabinet considered the seventh Cardiff Local Development Plan Annual Monitoring Report (AMR). It was noted that The Cardiff Local Development Plan (2006 to 2026) was formally adopted by the Council on 28th January 2016. As part of the statutory development plan process the Council is required to prepare an Annual Monitoring Report (AMR) and submit to Welsh Government by the 31st October each year after Plan adoption.

It was highlighted that overall the findings of the seventh AMR were positive with the majority of indicators shown as green. The reports sets out a summary of performance in relation to employment, housing (including affordable housing), transportation, Gypsy and Traveller sites, and Supplementary Planning Guidance.

RESOVLED: that Council be recommended to endorse the seventh Local Development Plan Annual Monitoring Report for submission to the Welsh Government by 31st October 2023.

**CARDIFF COUNCIL
CYNGOR CAERDYDD**



CABINET MEETING: 23 NOVEMBER 2023

BUDGET MONITORING – MONTH 6 2023/24

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

AGENDA ITEM: 2

Reason for this Report

1. To provide the Cabinet with details of the projected 2023/24 financial monitoring position as at the end of September 2023 (Month 6) adjusted for any significant amendments since that date, against the budget approved by Council on 9th March 2023.

Background

2. Council approved the 2023/24 budget on 9th March 2023 with the key sources of funding underpinning the budget being Revenue Support Grant (RSG) from Welsh Government, the amount forecast to be raised by Council Tax, contributions from earmarked reserves and other income sources including fees and various specific grants. Cardiff Aggregate External Finance increased by 9.0% (£48.165 million in cash terms after adjusting for transfers) in 2023/24 although the context was one of a period with significant uncertainty and risk evident across many areas.
3. The factors of energy, food, fuel and pay award inflation combined with increasing demand for services due to the legacy of the pandemic and the cost-of-living crisis have significantly further increased the levels of risk. The Council continues to face unprecedented challenges in terms of financial resilience which will require close monitoring and management during this year and into the medium term. Within this context, this monitoring report will set out the current known pressures and risks and any subsequent mitigations being undertaken. The report provides details of the overall revenue position, including performance against budgeted savings targets and a detailed position update on the Capital Programme.

Issues

Revenue Position

4. The overall revenue position reported in the paragraphs that follow comprises of projected variances, including any shortfalls anticipated against 2023/24

budget savings proposals and any savings or efficiencies that have been identified during the year.

5. The overall monitoring position, as at Month 6, reflects a total projected net annual Council overspend of £5.388 million. This position is detailed in Appendix 1 and includes a total directorate net overspend of £7.688 million, partly offset by an underspend against the capital financing budget of £1.500 million and release of contingency for the Council Tax Reduction Scheme.
6. The table below provides a summary of the overall position:

Directorate	Directorate Position
	(£000)
Corporate Management	(53)
Economic Development:	
Economic Development	2,224
Recycling & Neighbourhood	300
Education & Lifelong Learning	1,785
People & Communities:	
Housing, & Communities	(177)
Performance & Partnerships	(71)
Adult Services	0
Children's Services	3,185
Planning, Transport & Environment	200
Resources:	
Governance & Legal Services	620
Resources	(325)
Total Directorate Position	7,688
Capital Financing	(1,500)
General Contingency	0
Summary Revenue Account	(800)
Total Council Position	5,388

7. The Table above indicates that there continues to be pressure across several service areas in terms of budgetary performance, albeit at a lower level compared to the overall projected overspend reported at Month 4.
8. Projections at Month 4 included an estimated 6% average pay award (NJC). The pay award has now been agreed at this level and has been built into the Month 6 projections. For Month 4, the £1 million General Contingency was not factored into bottom line projections given the uncertainty over pay and other risks. Whilst the pay award has been settled, risks remain in year including inflation and demand/supply issues across services and, as such, the £1 million General Contingency has not been applied at this stage.
9. The specific overspends and underspends within each directorate's position are outlined in more detail within Appendix 2. In summary, the three largest variances are noted below:

- a. **Economic Development** (+£2.224 million) – Income shortfalls within Culture, Venues and Events are a significant factor including St David’s Hall, City Hall Functions and Functions Catering with the planned closure of buildings impacting on these services in year. There are also pressures within Property Services and Sport, Leisure and Development with variances assumed to be partly offset by a surplus for the Building Services trading unit.
 - b. **Education** (+£1.785 million) – There are pressures within Home to School Transport, Out of County placements and Catering. Welsh Government have not yet determined the price for each Universal Free School Meal (UFSM). To mitigate the uncertainty for this service, a drawdown of £1 million from earmarked reserves has been assumed. This holding position of using reserves will be reviewed once the confirmation of USFM is received but that decision is not anticipated until much later in the year. School Transport pressures continue due to increasing supplier costs combined with an increase in the requirement for transport for pupils with additional learning needs.
 - c. **Children’s Services** (+£3.185 million) – The overspend is primarily due to placement costs for the authority’s children looked after cohort with sustained demand pressures and price increases resulting in costs exceeding budget.
10. In relation to the above, mitigating actions are being put in place to reduce and offset the impact of these overspends with further detail set out in Appendix 2 (Directorate Commentaries).
11. As reported at Month 4, the position at Month 6 assumes use of £2.175 million of the Children’s Contingency to deal with the cost differential of agency staff versus full time staff. The success in terms of reducing the reliance on agency has resulted in decreased numbers of agency staff covering vacant posts but the variance in cost between agency and full-time staff has increased. This is being offset from Children’s Contingency for 2023/24 given that the targets set in the Council’s Corporate Plan are being met.
12. The 2023/24 Budget Report outlined an overall savings target of **£17.666 million**. **£1.8 million** of this target was a reduction of the FRM budget (for one year) and **£3 million corporate savings** (£1 million reduction in General Contingency, £1m reduction in Adult Services Contingency and £1 million reduction in budgets including CTRS and Insurance). All Corporate and FRM budget savings have been fully achieved. With reference to **Efficiency savings (£10.090 million)** and **Service Change proposals (£2.776 million)** the performance of each proposal is outlined in Appendix 3. The performance against savings proposals for both efficiency and service change continue to be below the level required with Efficiency proposals currently projecting £8.561 million (Month 4 - £7.953 million) being delivered (84.8%) and Service Change currently projecting at £1.648 million (Month 4 - £1.705 million) being delivered (59.33%). Whilst there is a slight reduction in the Service Change delivery of proposals, the increase of £0.608 million in delivering Efficiency savings is welcome but further work in delivering more of these budget proposals remains a key priority along with spending controls that will need to be applied in the second half of this financial year.

13. The capital financing outturn is currently forecast to be £1.500 million underspent at the end of the financial year. This forecast is set having regard to assumptions about our levels of actual external borrowing in year and timing of such for the remainder of the year; movement in bank interest rates (outside our control); levels of daily cash balance and estimates of how any capital expenditure for the Housing Revenue Account and General Fund is to be funded at the year end. Treasury management assumptions and performance will continue to be monitored closely, with the mid-year review set to be reported to Council in November 2023. The forecast underspend is primarily due to delays in the timing of capital expenditure outflows and, also, new external borrowing assumed to be deferred to the latter part of the year, in accordance with the Treasury Management Strategy set at the start of the year. The underspend also includes the impact of recent increases in Bank of England base rates to over 5%, resulting in higher interest income receivable on temporary cash balances, represented by bank deposits held. With borrowing rates currently elevated, it is recognised that any underspend is transitional and subject to the Council's overall cashflows during the year. Accordingly, subject to the Council's overall revenue budget position in 2023/24, opportunities will be considered to transfer the underspend to the Treasury Management earmarked revenue reserve as a mitigation for short term treasury and capital risks across financial years.
14. In considering an appropriate level of bad debt provision in respect of Council Tax and having due regard to the collectability of the Council Tax in the current economic climate, the Council is reporting a balanced position. As reported in Month 4, it remains the case that there is likely to be an underspend within the range of £100,000 to £200,000 and this position will continue to be monitored over the next few months to provide full confidence that any underspend can be brought into the overall position.
15. As part of the reported directorate positions, contributions to and from contingency budgets have been incorporated where appropriate. As fluctuations in the Council Tax Reduction Scheme (CTRS) budget are managed by a corporate contingency, these include a transfer from the CTRS budget of £0.726 million. The transfer reflects the current projected in year position, which takes into account the impact of the Council Tax increase as well as in year demand from residents for financial support. Current projections suggest that £0.800 million of the CTRS Contingency will not be required and that this amount has been released thus contributing to an improved overall budget monitoring position. In addition, the Children's Services position currently presumes that the full available contingency of £2.175 million will be required to be drawn down, leaving no residual contingency for any further demand in Children's Services and the risk of increasing external residential placements for the remainder of this year.
16. Whilst the Month 6 overspend position is an improvement on Month 4, there remains a priority need for all services to continue to identify and implement opportunities to deliver in year efficiencies. This Month 6 position reflects the impact of some early decisions that have delivered with no front line impact, but more is required to help ensure at least a balanced position by the end of the financial year.

17. In addition to the General Fund directorate positions, ring-fenced and grant funded accounts are outlined in more detail as part of Appendix 2. In summary, the Housing Revenue Account (HRA) is currently indicating a balanced position after an assumed net drawdown of £0.969 million from HRA earmarked reserves, primarily the Housing Repairs and Building Maintenance earmarked reserve (£0.719 million). The position includes a net overspend of £1.984 million for the Housing Repairs Account largely due to responsive repairs spend above budget. Partly offsetting this, rent and service charge income above target based on week 26 statistics indicate lower than budgeted void rent loss. The Civil Parking Enforcement position reflects an in-year surplus of £6.689 million compared to the budgeted surplus of £7.019 million reflecting income below target from resident parking permits and on-street parking fees. The Harbour Authority continues to project a balanced position with increased cost pressures for barrage maintenance offset by income above target and other managed underspends. The Asset Renewal budget is anticipated to be fully spent in line with the revised work schedule.

Capital Position

18. The Council on 9th March 2023 approved a new Capital Programme of £240.526 million for 2023/24 and an indicative programme to 2027/28. The budget for the General Fund and Public Housing has since been adjusted to £356.437 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards to date.
19. The sections below indicate a forecast position for 2023/24 for the General Fund and for Public Housing.

General Fund

20. The projected outturn for the year is currently £179.308 million against a total programme of £245.437 million with a variance of £66.329 million, which is predominantly slippage. Expenditure at the end of Month 6 was £72.047 million which represents circa 40% of the projected outturn, however there are a number of large expenditure items which are anticipated to progress during the latter part of the year.

Capital Schemes Update

21. Delivery of capital projects is complex, may span a number of years and is influenced by several 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.
22. The Council's capital investment programme plays an essential role in both stimulating the local economy and delivering local services. Construction cost inflation has increased significantly resulting from increased tender activity, material availability and labour shortages. This represents a delivery and an affordability risk to projects to remain within estimated budgets following the outcome of tenders. Economic factors also mean interest rates have increased significantly over the past year. As part of the annual process of updating capital

expenditure plans, this will require re-prioritisation of schemes to be undertaken including changes in timing, specification and a re-assessment of the intended outcomes. The overall Capital Programme will be updated in the 2024/25 budget proposals.

23. It remains important that directorates continue to allocate sufficient capacity and resource to ensuring projects progress in the timescales intended. Option appraisal, robust business cases and due diligence continue to be essential with a focus on delivery of approved schemes within the existing capital investment programme.
24. Previous years have seen a number of late external grant funding sources made available where work is aligned with Welsh Government outcomes. This is a common theme and, whilst positive, the timescales may mean late changes in programme and projections. Utilising and making assumptions of grants bid for and awarded in approved timescales is a risk to be managed by directorates in the remainder of the year. Consideration of switching of Council resources and early discussion with grant funding bodies should be undertaken to ensure that approved grants can be used in full.
25. Further detail on progress against significant capital schemes included in the programme is included in Appendices 4 and 5 to this report.

Capital Receipts

26. Capital receipts are an important means of increasing the affordability of the capital programme. The generation of capital receipts is also consistent with the need to accelerate a reduction in the Council's asset base where this can support savings requirements or reduce maintenance liabilities.
27. The Annual Property Plan considered by Cabinet on 13 July 2023 provided a detailed update on targets set in respect of capital receipts and planned property transactions in 2023/24. Close monitoring needs to be undertaken of the overall target and a circa £3 million target of non-earmarked General Fund receipts for the current year. The value of such receipts generated in the first 6 months of the year is £183,000. The remaining transactions will include approved land appropriations to and from the HRA where due diligence determines such transactions are viable and via open market sale and significant progress will need to be made in the latter part of the year to meet this target. Each of these transactions will need to be subject to the Council's relevant governance processes and should be progressed promptly to ensure, where required, these are completed by the end of the financial year. Where any proceeds are deemed required to be earmarked for specific purposes, this should be done having regard to the overall receipts target and affordability of the capital programme.
28. The capital investment programme also includes several major development projects which assume that capital receipts are earmarked to pay towards expenditure incurred on those projects. Examples include the development strategy at the International Sports Village and commitments agreed as part of proposals in respect to East Cardiff / Llanrumney Development. Expenditure incurred in advance of realisation of receipts represents a risk of both abortive costs and to the level of borrowing. At its meeting in July 2023, Cabinet

approved a disposal strategy for retail and commercial plots at the International Sports Village. The timing of earmarked receipts should be monitored closely to ensure site value and timing is consistent with the respective Cabinet approved business cases.

Public Housing (Housing Revenue Account)

29. The programme for the Housing Revenue Account (HRA) is £111.000 million, with expenditure of £108.453 million currently forecast for the year. Expenditure at the end of Month 6 was £41.400 million which represents circa 38% of the projected outturn.
30. Against an original allocation of £2.150 million, full expenditure is projected to be spent on estate regeneration, tackling issues of community safety, defensible space, waste storage and courtyard improvements to blocks of flats. Expenditure includes projects at Lincoln Court, Caerwent Road and Penmark Green.
31. Expenditure on building improvements is projected to be £15.850 million for the year, in line with the budget. Projected spend includes ongoing upgrades to high rise flats with £2 million expected to complete cladding works on Lydstep flats. Refurbishment expenditure of £800,000 is projected for Nelson and Loudoun including bin chutes and electric doors. Survey work is currently being undertaken at Beech and Sycamore flats for an estimated cost of £630,000 to upgrade sprinklers. All of the above-mentioned works to high rise buildings will be funded from Welsh Government Social Landlord Building Fire Safety grants. Other improvements for the year include roofing works to both houses and flats (£1.960 million), central heating upgrades (£1.500 million) and kitchen and bathroom upgrades (£3 million). There is also projected expenditure of £900,000 on energy efficiency schemes, with a number of projects in the pipeline to be funded by Welsh Government's Optimised Retrofit Programme. Opportunities for additional grants which will support future cladding and building safety schemes in the Council's future expenditure plan are also being explored and will need to be the subject of future reports to Cabinet. It is essential that progress on developing projects is prioritised in line with such approvals to ensure that external funding can be maximised in line with any terms and conditions of grant.
32. The budget for adaptations for disabled residents of HRA properties is £3 million for the year. Expenditure as at month 6 is £2.523 million as a result of increased applications to support independent living in the community. All future applications must be managed within the existing budget for the remainder of the year.
33. Expenditure on the development of new housing across several sites during the year is currently projected to total £87.453 million, against an initial assumption totalling £90 million. In respect of Cardiff Living, total expenditure of £19.643 million is projected this financial year. Phase 1 which includes projects such as Willowbrook West, Highfields, Briardene, Braunton and Clevedon will be completed in 2023/24, with all remaining retentions due to be paid. Phase 2 projects due to start this financial year include Narberth Road (83 units), Llanrumney High School site (28 units), Waungron (21 temporary and 23 permanent units) and Citadel (12 units). Brookfield Drive and the Addison

House element of the Eastern High site are also due to complete this year. Whilst delayed compared to initial timeframes, total expenditure projected for the Gasworks site in Grangetown this financial year is £33.300 million with phase one of the project for this temporary housing scheme due to arrive on site in August and occupied by October. Expenditure in year will be partly grant funded with £10.608 million from the Welsh Government's Transitional Accommodation Capital Programme (TACP) and £1.430 million from the Cardiff Capital Region Housing Viability Gap Fund, with potentially an additional £1.5 million to claim later in the year from the latter. It should be noted that the permanent scheme at the Gasworks site is to be developed as part of a new partnering scheme, with the existing modular homes to be relocated to other sites to be identified.

34. Progress on other development projects outside of Cardiff Living is expected to total £17.310 million and includes projections for a recommencement on site for St. Mellons (£2.000 million) and the Maelfa independent living scheme (£1.100 million). Work paused at the end of 2022/23 as a result of the appointed contractor falling into administration, but both have either been or are in the process of being retendered to a new contractor, resulting in a significant increase in costs, which is being experienced on all housing schemes. Phase 1 of the Channel View development is currently the subject of a tender exercise and depending on the scope and affordability within budgets, is expected to start on site at the end of the financial year. The former Iorwerth Jones site is expected to be completed early in 2024/25 with projected expenditure of £1.645 million in 2023/24. Canton Community Centre and Bute Street Community Living are both expected to be on site in Autumn 2023 with combined projected costs of £7.500 million for the year.
35. Additional external grant funding is also currently being explored for many sites, which is welcome due to significant increases in costs across all schemes. It remains essential that robust viability assessments are undertaken in line with best practice at various stages of decision making in respect to schemes before they proceed.
36. Expenditure of £17.200 million has already been committed, utilising budget allocated by the Council across two financial years for private market acquisitions in 2023/24 and including circa £5 million in principle grant funding from Welsh Government, to meet the immediate demand for housing. Further opportunities for Welsh Government grant funding to increase the volume of purchases to meet pressures is also being explored, however expenditure needs to be managed and approved within the Council's budget and control framework and the subject of the same viability assessment processes.

Reasons for Recommendations

37. To consider the report and the actions therein that form part of the Council's financial monitoring process for 2023/24.

Legal Implications

38. 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

39. There are no HR imps that arise directly from this report.

Property Implications

40. There are no further specific property implications in respect of the Budget Monitoring Month 6 2023/24 Report. During the third quarter, the Strategic Estates Department will focus on completion of in-year targeted Annual Property Plan transactions and continue to assist where necessary in delivering budget deficit mitigation strategies. The highlighted in-year financial pressures are noted within Strategic Estates and the service area continues to work closely with Finance colleagues to identify mitigations and income generation opportunities which can be put in place and pursued to alleviate the forecasted budget overspend. Property specific issues in respect of the Tennis Centre are acknowledged and specific strategies for mitigation of these are being considered and actively managed.
41. Support will continue for delivery in other relevant areas such as the Capital Investment Programme and Major Development Projects. Where there are property transactions or valuations required to deliver any budget proposals, they will be effected in accordance with the Council's Asset Management process and in consultation with Strategic Estates and relevant service areas.

Financial Implications

42. In summary, this report outlines a projected Council overspend of £5.388 million that represents an improvement of £1.069 million from the position reported in Month 4 (£6.457 million) for the 2023/24 financial year. The overspend reported is after the use of specific amounts of contingencies and earmarked reserves. If 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 £8.867 million in such a circumstance but this level would be considered unsustainable despite an improved position from Month 4. However, between Month 6 and the financial year end, every effort will continue to be made to build on the improvements already achieved to reduce the overspend further to a balanced position or to identify other sources of funding such as further use of earmarked reserves. The overall uncertainty of the next six months reflects the decision to continue to hold the £1 million General Contingency against further unforeseen pressures. If these pressures do not come through, then this amount will be released at a later point in the year to improve the reported position.
43. Because of the risk of an end of year overspend, it remains essential that directorates retain a focus on their financial positions (including savings proposals reporting shortfalls) and ensure that tight financial control is in place over the remainder of this financial year to ensure that the projected financial position is reduced considerably by the year-end. In tandem, there will continue

to be a review of Council-wide issues and regular monitoring of the Council's balance sheet, including the debtors' position and earmarked reserve levels.

44. In relation to the 2023/24 Capital Programme, a variance of £66.329 million is currently projected against the General Fund element, predominantly in relation to slippage against large schemes such as Indoor Arena, Band B New Schools and Coastal Erosion. These large schemes are still scheduled to be spent but are likely to be incurred in the following year (later than planned). In terms of the Public Housing element of the programme, there is currently a variance of £2.547 million due to slippage. However, as outlined in the above report and Appendix 5, there are considerable cost pressures within the Housing Programme which are currently relying on significant grant funding and this drive continues to need to be underpinned by a robust viability assessment process.
45. Historically, this report has continued to highlight the issue of slippage and the economic impact of rising materials, process and contractor availability is contributing to potentially higher rates of slippage than have been experienced before. The increase in material prices remains a threat to potentially reducing the amount of work being undertaken in asset renewal budgets in individual years to ensure capital budgets remain viable over the five-year programme. It remains critical that directorates ensure that the necessary progress is made against schemes, to ensure that cost overruns do not occur. Due diligence continues to be required and maintained to ensure that the delay of schemes that rely on external funding does not result in any lost opportunity of accessing those funds due to tight terms and conditions dictating any timelines that must be met.
46. For capital expenditure, effective contract management continues to be required, with a particular focus on the prevailing economic climate causing delays or increased costs. Should such issues continue to emerge during the rest of the year, it will be necessary for these to be escalated as a matter of priority so that the overall impact on the programme can be assessed and any required actions taken. Such risks also need to be monitored in relation to the generation of capital receipts which underpin the overall affordability of the programme.

RECOMMENDATIONS

The Cabinet is recommended to:

1. Note the revenue financial outturn based on the projected position at Month 6 2023/24.
2. Note the capital spend and projected position at Month 6 2023/24.

SENIOR RESPONSIBLE OFFICER	CHRISTOPHER LEE CORPORATE DIRECTOR RESOURCES
	17 November 2023

The following Appendices are attached:

- Appendix 1 – Revenue Position
- Appendix 2 – Directorate Commentaries
- Appendix 3 – 2023/24 Budget Savings Position
- Appendix 4 – Capital Programme
- Appendix 5 – General Fund Capital Schemes Update

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Appendix 1

REVENUE MONITORING POSITION 2023/2024

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	29,448	(101)	29,347	29,822	(528)	29,294	374	(427)	(53)
Economic Development	50,824	(39,638)	11,186	50,216	(36,806)	13,410	(608)	2,832	2,224
- Recycling & Neighbourhood Services	50,053	(10,892)	39,161	50,975	(11,514)	39,461	922	(622)	300
Education & Lifelong Learning	408,553	(65,550)	343,003	415,253	(70,465)	344,788	6,700	(4,915)	1,785
People & Communities									
- Communities & Housing	240,650	(190,978)	49,672	236,844	(187,349)	49,495	(3,806)	3,629	(177)
- Performance & Partnerships	9,233	(6,302)	2,931	12,886	(10,026)	2,860	3,653	(3,724)	(71)
- Social Services - Children's Services	104,815	(15,828)	88,987	111,808	(19,636)	92,172	6,993	(3,808)	3,185
- Social Services - Adult Services	180,850	(33,396)	147,454	184,529	(37,075)	147,454	3,679	(3,679)	0
Planning, Transport & Environment	60,873	(51,506)	9,367	61,748	(52,181)	9,567	875	(675)	200
Resources									
- Governance & Legal Services	8,564	(1,231)	7,333	9,034	(1,081)	7,953	470	150	620
- Resources	32,590	(15,226)	17,364	36,805	(19,766)	17,039	4,215	(4,540)	(325)
Capital Financing etc.	43,248	(7,055)	36,193	43,304	(8,611)	34,693	56	(1,556)	(1,500)
General Contingency	1,000		1,000	1,000		1,000	0	0	0
Summary Revenue Account	22,174	(1,278)	20,896	21,374	(1,278)	20,096	(800)	0	(800)
Discretionary Rate Relief			0			0	0	0	0
Sub-Total	1,242,875	(438,981)	803,894	1,265,598	(456,316)	809,282	22,723	(17,335)	5,388
Council Tax Collection	0	0	0	0	0	0	0	0	0
Total	1,242,875	(438,981)	803,894	1,265,598	(456,316)	809,282	22,723	(17,335)	5,388

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Appendix 2 – Directorate Commentaries Month 6 2023/24

Corporate Management (£53,000)

(£40,000)

1. The projected outturn position for Corporate Management at Month 6 against the net controllable budget of £29.347 million is a £53,000 underspend. This includes savings within Senior Management (£15,000) and Corporate Management Other Costs (£38,000). The main change compared to Month 4 is a reduction in the forecast for audit fees.

Economic Development +£2.224 million

+£1.800 million

2. The Economic Development Directorate is forecasting a £2.224 million overspend at month 6 against the net controllable budget of £11.186 million. Significant income shortfalls across Culture, Venues and Events as a result of the closure of buildings are only partially offset by a surplus within Facilities Management.
3. Culture, Venues and Events are forecasting an overall potential deficit of £2.805 million. This is made up largely of income shortfalls at St David's Hall (£1.6 million), City Hall Functions (£544,000), Functions Catering (£419,000) and at Cardiff Castle (£248,000).
4. Following the closure of St David's Hall in September there remains significant uncertainty on the in-year financial position. At month 6, it is estimated that should the hall remain closed for the remainder of 2023/24, the overspend could increase from the £850,000 reported at month 4 to circa £1.6 million. This forecast does not currently include any costs associated with financial settlement of shows or any potential premises cost savings. These and any other factors impacting on the financial position will be worked through in the coming weeks as more detail becomes available.
5. The deficits in Function Hire at City Hall / County Hall and reduced Functions Catering income are a direct result of the core office programme changes in November 2023, where City Hall will be closed for events from November until the end of the financial year, which will have a significant negative impact on functions hire and catering income.
6. The Cardiff Castle forecast deficit of £248,000 includes total projected income of £3.74 million compared to an outturn of £3.04 million in 2022/23, reflecting an increase in paid admissions of 36% on the previous year. However, whilst this is an improvement on the 2022/23 actuals, income generation has not quite returned to pre-Covid levels and remains short of budgeted income targets.
7. Offsetting these income shortfalls, Facilities Management is forecasting an overall underspend of £1.307 million at month 6. This includes a potential surplus for the Building Services trading unit of £931,000, derived from estimated fees based on higher volumes and contract values. FM buildings is reporting a net underspend of £286,000 with significant cost pressures estimated to be in the region of £831,000 assumed to be mitigated by savings

from the planned changes at the three core office buildings. These savings are fully dependent on changes being implemented on the scheduled dates. Based on the previous year's usage, it is estimated energy savings of £756,000 could be achieved. In addition, the planned termination of the lease at Willcox House on 31 December should deliver further savings of £135,000 on rent and cleaning. Both the Cleaning and Security Services are currently anticipated to recover their costs and achieve balanced positions, whilst Pest Control is reporting an income shortfall of £24,000.

8. Property Services are projecting an overspend of £671,000 at month 6; a £159,000 increase compared to earlier forecasts at month 4. This includes a shortfall for Investment and Non-operational Estate income of £506,000 (including £349,000 at the Tennis Centre and a £72,000 reduction in St David's 2 rental income) and a shortfall of £121,000 in relation to the Capital Receipts fee income target.
9. The Youth Foods division is reporting an overspend of £175,000, relating to increased agency costs and income shortfalls and reflecting a similar trend to 2022/23.
10. City Centre Management is projecting an £88,000 overspend with Activity Site income projection falling short of target.
11. Business, Investment & Workshops are projecting a net £148,000 underspend, with advertising above income and overspends at Enterprise House and the Film unit offset by underspends within inward investment and assistance to industry.
12. Sport, Leisure and Development is reporting a potential £165,000 underspend at month 6 with the main improvement at Cardiff International White Water (CIWW) which is now projecting a surplus of £74,000. This is partially linked to the decision to delay water pump repairs and replacements into 2024/25. Other improvements to the position include Channel View Centre now forecasting an improved underspend of £55,000 due to increased income projections. A significant £75,000 reduction in the projected Ice Arena overspend is the result of a new lease which will shortly be in place. Other improvements include in-year savings linked to the flexible retirement of an operational manager. The Vocational Education function is forecasting a £45,000 surplus.
13. A £78,000 surplus for Parks includes vacancies across the service and increased events income at Bute Park.
14. Shared Regulatory Services is reporting a £10,000 overspend after assuming a drawdown from earmarked reserves to offset deficits within the Licensing service which may see an improvement in future months. The position includes a new SLA with 24/7 Services (Telecare) for out of hours calls handling with costs estimated at £17,000 for 2023/4.
15. Major Projects are projecting a £223,000 overspend, primarily linked to unbudgeted holding costs (NNDR rates, utilities etc) at the Toys r Us building

for the majority of 2023/24. A new tenant is due to take temporary occupation in the latter part of this year which will mitigate holding costs going forward.

16. All other divisions within Economic Development are projecting balanced or underspend positions for 2023/24.
17. The 2023/24 Efficiency Savings target for Economic Development was set at £1.204 million. At month 6, £931,000 of these Efficiency Savings are projected to be achieved (circa 77%), with the remaining £273,000 (23%) projected to be unachievable in 2023/24. The Service Change savings target for Economic Development was £582,000. At month 6, only £32,000 of these savings are projected to be achieved (increased charging for sports pitches and reduction in support for external events). The remaining £550,000 in savings are linked to the transfer of St David's Hall and CIWW to third parties which are not considered achievable in the current year.
18. A total of £600,000 was allocated for specific FRM items in 2023/24. At month 6 it is projected that full spend will be incurred against these items.

Recycling & Neighbourhood Services +£300,000

+£200,000

19. Recycling & Neighbourhood Services are projecting a net increased overspend of £300,000. This position is after an anticipated drawdown from contingency to offset an income shortfall from the sale of recyclates which has been adversely affected by global market prices and the use of earmarked reserves to fund the planned expansion of the segregated waste scheme.
20. Collection Services are projecting an underspend of £204,000. This reflects savings on staff costs during the recruitment process, vacant posts, and a net saving from the industrial action. The position includes the planned further expansion of the segregated collection scheme scheduled for February 2024 estimated at £254,000 and further overspends of £96,000 on the purchase and delivery of recycling bags reflecting contract price increases. It is planned that these costs will be funded by a drawdown of £350,000 from earmarked reserves set aside as resilience for necessary changes to maximise recycling rates.
21. The Street Cleansing service is projecting an overspend of £379,000 which predominantly reflects higher vehicle charges, estimated at £333,000 over budget. Increased staff costs, due to secondments and short-term trials into the service to provide experience of a supervisory role to officers from within the service amount to £130,000. The weed control contract, transferred from the Parks Service in 2022/23, brought an historical underfunding estimated at £41,000. Increased income of £45,000 from events and ad-hoc work and a saving of £80,000 from the industrial action has partly mitigated these pressures.

22. Recycling Treatment is projecting an overspend of £239,000. This reflects increased costs at the Recycling Centres and MRF due to staff cover for sickness, suspensions, and overtime, plus a delayed saving against planned operational changes partly reduced by a saving on external processing costs. The income from the sale of recycling materials remains volatile and, in recent months, the price per tonne for mixed plastics has seen a reduction from £152 per tonne to £0. Subsequently, the overall income forecast against the target is now showing a shortfall of £275,000.
23. The Environmental Enforcement division is forecasting an overspend of £6,000 caused by an income shortfall of £62,000, increased CTS recharges of £23,000 and other operational cost overspends of £28,000, partially offset by a £107,000 saving against staffing due to holding of vacant posts pending the Neighbourhood Services restructure. The cost of trialling covert CCTV cameras for fly tipping is £52,000 and it is proposed to fund these from reserves.
24. Waste Disposal is projecting an underspend of £116,000. This includes a saving of £210,000 from the contractual arrangement with Project Gwyrdd (PG) in relation to tonnage banding and the Performance Measurement Framework. Processing costs are projecting an overspend of £79,000 and income from the sale of landfill gas is projecting a £15,000 shortfall.
25. There is a small underspend of £4,000 in Management & Support whilst the Waste Strategy team is projecting a balanced position.
26. The Trade Service is reporting a balanced position after assuming a drawdown of £62,000 from the Waste Management reserve. Income projections are showing a shortfall of £190,000, caused by the reduction in rates to incentivise existing customers to separate their waste streams in readiness for changes to legislation due in January 2024. There has also been a re-focus of the service to prioritise and maximise recycling rates which has resulted in the loss of a key customer and a downsizing of the skip hire service. Expenditure projections are showing an underspend of £252,000 primarily due to staffing and disposal costs.
27. The FRM allocation of £60,000 to fund cleansing initiatives is projected to be fully spent.
28. Budgeted Efficiency Savings totalled £291,000 and are forecast to be fully achieved. However, the Service Change saving of £60,000, in respect of reduced opening times at the Recycling Centres, is unlikely to be achieved until the proposed service restructure has been approved and implemented.

Education and Lifelong Learning +£1.785 million

+£1.900 million

29. The forecast for the Education & Lifelong Learning Directorate reflects an overall overspend of £1.785 million.

30. Schools Transport is projecting a £400,000 overspend, reflecting the full year effect of 2022/23 new routes and price increases, along with known and anticipated increases in ALN routes in 2023/24, and extraordinary contractor price increases. The position is net of a £700,000 contribution from earmarked reserve to meet the continuing demand and cost pressures within the service.
31. Services to Schools includes a balanced position in Schools Catering but this is heavily caveated by the drawdown from reserve of £1.100 million which reflects the uncertainty surrounding universal primary free school meal (UPFSM) prices. Both the income generated by UPFSM and the ongoing volatility of food price inflation will continue to be monitored and reviewed.
32. Out of Maintained Schools educational placements is £700,000 overspent due to an increase in the provision requirement from 276 to 293 pupils in total. The increase in placements is due to the continuing trend of ALN placements demand outstripping the authorities educational setting provision, despite significant investment to increase capacity.
33. Further overspends include a shortfall in EOTAS tuition income, due to tuition hours not eligible to be billed to schools of £400,000 and unbudgeted staff in back-office functions of £200,000.
34. Budgeted savings for Education Services for 2023/24 totalled £1.482 million and it is currently projected that £1.307 million of these will be delivered in the current financial year.

Housing and Communities (£177,000)

Balanced

35. Housing & Communities is reporting an underspend of £177,000 against a net controllable budget of £49.672 million after assuming budgeted drawdowns estimated at £1.662 million from Housing and Communities earmarked reserves. In addition, a further unbudgeted drawdown of £825,000 is assumed to address pressures within Homelessness.
36. The position comprises overspends totalling £685,000 across Homelessness (£297,000), Hubs and Community services (£244,000) and Business Support (£144,000). These are offset by underspends of £862,000 across all other areas of the service.
37. Homelessness and Hostels are reporting an overspend of £297,000 largely due to storage costs for Homeless persons' furniture, taxi charges and utility and overtime costs at the Gypsy and Traveller sites. These are partly offset by grant maximisation and savings within temporary accommodation voids. All associated costs linked to ad-hoc hotels and additional units sourced to meet unprecedented demand on Homeless services, including anticipated asylum dispersal cases, are expected to be met from the Welsh Government No One Left Out and Discretionary Homeless Prevention grants and by a drawdown from the Homelessness earmarked reserve.

38. Hubs and Community Services are reporting overspends of £244,000 across the divisions. Overspends of £120,000 within Day Centres are attributable to unachieved vacancy provisions and a £144,000 overspend within Community Hubs is linked to unachievable fee income targets and premises costs above budget. These are partly offset by employee savings and by grant maximisation across the service.
39. The Business Performance and Support overspend of £144,000 relates to PPE distribution costs across the authority as, whilst PPE continues to be provided free of charge by Welsh Government, the Directorate does not have budget for the administration and delivery of the service. Work is ongoing to reduce related expenditure.
40. Underspends of £242,000 within Neighbourhood Regeneration relate to additional grant income and reduced staff recharges. Housing Projects are reporting vacancy savings of 153,000.

Adult Services (Balanced)

Balanced

41. Adult Services is projecting a balanced position after a £1.413 million contribution from the Adult Services contingency budget.
42. The underlying overspend of £1.413 million comprises a £3.866 million overspend on commissioned care, offset by a £2.453 million underspend on internal services.
43. The position on commissioned care comprises overspends in Older People (£1.650 million), Physical Disabilities (£1.472 million), Learning Disabilities (£559,000), Mental Health (£142,000) and Substance Misuse (£43,000).
44. The largest contributory factor to the position on Older Peoples' Services are overspends on domiciliary care (£1.014 million), residential and nursing budgets (£199,000) and Respite (£361,000). These, together with a smaller overspend in other areas of care, are offset by an underspend on direct payments. The overspend on domiciliary care reflects a significant increase in weekly domiciliary care hours over recent weeks (c750 hrs per week). The overspend on residential and nursing reflects an increase in placement numbers in general, together with a significant shift in existing placements from general residential to more costly residential dementia placements.
45. The largest contributory factors to the position on Physical Disabilities commissioned care are similar, with overspends on domiciliary care (£720,000), residential and nursing care (£164,000), supported living arrangements (£304,000) and direct payments (£285,000). The domiciliary care position reflects a significant increase in hours of care while the residential, nursing and supported living overspends reflect placement numbers. Residential and nursing placements are around 30% (9-10 places) higher than the average of the last three years; many in the 60+ age category.
46. The overspend on Learning Disabilities is mainly due to residential and nursing placements (£1.128 million) and domiciliary care (£258,000). These are

partially offset by underspends in other areas, including external day centres, supported living arrangements and Direct Payments. The overspend on residential and nursing reflects placement numbers as well as the impact of delayed delivery of a 2023/24 budget saving proposal.

47. The underspend on Internal Services is a combination of Assessment and Care Management (£755,000), Reablement and Independent Living (£658,000), Support & Performance Management (£923,000) and Internal Day Care (£71,000).
48. The underspends in all other areas of Internal Services reflect a level of vacancies and the fact that funds allocated for restructures are only estimated to be partly used in the current financial year.
49. Budgeted savings in Adult Services for 2023/24 totalled £1.669 million and it is currently projected that £1.326 million of these will be delivered. Further detail is included in Appendix 2.

Children's Services +£3.185 million

+£2.975 million

50. Children's Services is currently projecting a £3.185 million overspend, after full utilisation of the Children's Services contingency of £2.175 million, and a drawdown of £3.248 million from earmarked reserves to fund ongoing cost pressures from cost differential between agency staff and establishment staff and high-cost support and placement packages.
51. The overspend is primarily due to placement costs for the authority's Children Looked After cohort as sustained demand pressures and price increases results in costs exceeding budget.
52. Placements costs include a £7.068 million overspend relating to residential placements. Ongoing placement numbers have increased over the year from 106 active placements at the start of the year to 123 current active placements, with an average price uplift request of 8% on 30 placements. External fostering budgets are reporting a £1.818 million underspend with placement numbers less than planned. The underspend has been partially eroded by price uplifts at an average of 8% for fostering arrangements.
53. To meet the demand for placements for children over the age of 16, the authority has commissioned many accommodation schemes, which are more cost effective than residential placements. These schemes were to be funded from the release of budgets derived from the reduction in residential placements. These schemes are however currently showing an £840,000 overspend. Other cost-effective placement measures taken include the commissioning of Supported Living arrangements, especially for the UASC cohort which has reduced the projected position by £400,000.
54. Children's Services are required to commission additional bespoke placement and support packages due to the complexity of needs and a shortage of placements spaces available. These costly arrangements are included in the

position as an overspend within the directorate to the sum of £2.600 million, which is being offset by an earmarked reserve contribution of £2.600 million. During the financial year to date, there have been 69 of these packages, of which 21 are currently active.

55. A national trend of a challenging recruitment market, with difficulties in recruiting permanent qualified social workers and care workers has resulted in an increased reliance on external employment agency to fulfil statutory duties. The cost differential between permanent staff and agency staff has led to a staffing overspend of £1.3 million within Assessment and Care Planning division. A service redesign is being undertaken by the division and there is an in-year reduction in the number of external agency workers commissioned by the service.
56. Budgeted savings in Children's Services for 2023/24 totalled £1.929 million and it is currently projected that £1.564 million of these will be delivered in the current financial year.

Performance & Partnerships (£71,000)

(£50,000)

57. An underspend of £71,000 within Performance and Partnerships relates mostly to an anticipated overachievement of external income in Bilingual Cardiff as well as savings within Community Safety where base funded staff costs will be partly offset by grant incomes.

Planning, Transport & Environment +£200,000

+£200,000

58. Planning, Transport and Environment are forecasting an unchanged net overspend of £200,000 after a planned drawdown from earmarked reserves and accelerated use of Commuted Sums to meet pressures across the directorate, particularly within Highway Infrastructure, Transport, Planning and Building Control and Civil Parking Enforcement. These pressures are partly mitigated by a large surplus in Energy Management.
59. The position additionally assumes that further mitigations will be achieved by the end of the financial year through the maximisation of grant funding and curtailment of spend where feasible.
60. Transport is forecasting an overspend of £294,000 reflecting contract price increases for the CCTV provision. There are increased operational costs at the Traffic Control Room and an historical under funding of Traffic Management at sporting events. The position is partly mitigated by an additional drawdown from Commuted Sums.
61. Highway Infrastructure is forecasting an overspend of £306,000. This includes the Winter Maintenance programme due predominantly to the increased cost and requirements for salt this year, plus two additional vehicles and increased staffing for redesigned gritting routes.

- 62. The Planning Service is forecast to overspend by £229,000 caused by the general economic impact on major planning applications.
- 63. Bereavement, Registration & Dogs Home are reporting a £90,000 deficit, reflecting increased operational costs in Bereavement and the Dogs Home, partly mitigated by an increase in Registration income.
- 64. Energy Management are forecasting a surplus of £480,000 reflecting a significant increase in income generated by the Lamby Way Solar Farm which is offsetting the continued lower performance at the Radyr Weir Hydro facility. In addition, there are vacancy savings whilst the recruitment process takes place.
- 65. A balanced position is forecast in Management and Support Services.
- 66. The FRM allocation is forecasting an underspend of £103,000 reflecting the decision not to pursue the E-Cargo Bike initiative, lower costs of hosting the One Planet Summit, a reduced commitment for Highway Enforcement and Parking Improvements. There is currently no firm proposal for the Taxi Clean Air Scheme although this is showing as fully committed on the basis the funding will be carried forward.
- 67. The Efficiency, Income, and Service Change savings target for the directorate are £1.853 million. It is currently forecast £1.271 million will be achieved leaving a shortfall of £586,000. This includes income from residents parking permits and parking fees, a street lighting energy saving and a shortfall against a business support staff restructure.

Governance & Legal Services +£620,000

+£537,000

- 68. The Governance and Legal Services division forecast overspend of £620,000 is an increase on Month 4 (£537,000) and continues to relate mainly to unbudgeted locum solicitor costs (£490,000) and an overspend of £99,000 within Electoral Services for printing and postages. These variances are offset by a small underspend within Democratic Services due to delays in the backfilling of vacant posts.

Resources (£325,000)

(£65,000)

- 69. An overall £325,000 underspend is projected for the Resources Directorate at Month 6; a significant improvement on the £65,000 underspend forecast at Month 4. Increased underspends within Human Resources, Commissioning and Procurement and Finance are partly offset by an overspend within the Chief Digital Officer division.
- 70. Vacant posts are the primary contributors to the underspends within Finance and Procurement of £94,000 and £84,000 respectively. Surplus income within Occupational Health and linked to Additional Voluntary Contributions to Pensions and Cycle to Work schemes, along with a further delay to the

implementation of the planned staffing restructure, are the reasons for the increased £480,000 underspend within Human Resources.

71. The Chief Digital Officer overspend of £333,000 relates to increased licensing and software costs within ICT which is partly offset by vacancy savings within Customer Services.
72. The Central Transport Service is reporting a balanced position.

Cardiff Harbour Authority

73. For the current year, the Council worked with the Welsh Government to identify budget pressures around increases in material costs, contractors and energy prices as well as historical shortfalls in service level agreement budgets. In addition, work has been carried out to identify future obsolescence and compatibility issues with existing systems and equipment requiring upgrades or replacement.
74. These budget pressures are partly offset by savings due to increased income streams and reduced accommodation costs against the approved Fixed Costs budget of £5.621 million. This includes an allocation of funds to cover implementation of the 2022/23 pay award shortfall, the 2023/24 pay award and any employee incremental pay progression. The Asset Renewal funding requirement for non-critical assets is £457,000, giving an overall budget for the Cardiff Harbour Authority (CHA) of £6.078 million, which is an increase of 2.6% on the final award total for the 2022/23 financial year.
75. The forecast at the end of quarter two indicates a funding requirement of £6.078 million, representing a full spend of budget.

Heading	Budget £'000	Projected Out-turn £'000	Variance £'000
Expenditure	6,786	6,752	(34)
Income	(1,165)	(1,131)	34
Fixed Costs	5,621	5,621	0
Asset Renewal	457	457	0
TOTAL	6,078	6,078	0

76. The position includes increased costs on barrage maintenance, largely due to further significant cost price pressure on contractor supplies and works, offset by reduced expenditure on facilities management and environmental areas. A shortfall of income against target is projected for Aqua parks and events.

77. The Asset Renewal budget is currently indicating a full spend in line with the revised approved schedule of work, including barrage sails decking, water quality sondes and cables, graving docks boardwalk, Roald Dahl Plas post and rail replacement, plus additional scheme to complete Senedd boardwalk.
78. The CHA maintains a Project and Contingency Fund, which is used to support projects and provides a contingency for situations where 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 on 31 March 2023 was £130,000 and this is in line with the amendments to the Deed of Variation as agreed in May 2023.

Civil Parking Enforcement

79. 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 and Enforcement Reserve. The budget was set using various assumptions and scenarios.
80. The table below provides a summary of the budget and projected outturn position.

	Budget £'000	Projected Outturn £'000	Variance £'000
Income			
On street car parking fees	4,956	4,770	186
Off street car parking fees	1,428	1,427	1
Resident's parking permits	911	590	321
Penalty charge notices	2,350	2,350	0
Moving Traffic Offences (MTO's)	3,687	3,700	(13)
Camera Car	708	900	(192)
Other Income	20	99	(49)
Total Income	14,060	13,836	254
Expenditure			
Operational costs, parking & permits	634	646	12
Enforcement service including TRO	6,437	6,501	64
Total Expenditure	7,071	7,147	76
Annual Surplus / (Deficit)	7,019	6,689	330

81. The current projection indicates an annual trading surplus of £6.689 million. This is £330,000 lower than the budget and broadly in line with the position previously reported. This reflects lower than anticipated income from on-street parking fees and residents parking permits and increased operating costs.

82. Income is forecast at £13.836 million which is £254,000 below target caused by lower than anticipated income from Residents Parking Permits following the changes to the charging mechanism introduced in April 2023 and lower on-street parking fees reflecting some delays introducing the new fees. The Camera Car is forecasting a significant surplus over the target due to increased activity and there is additional miscellaneous income mainly from the recovery of costs.
83. Expenditure is forecasting a variance of £76,000 reflecting additional IT and hybrid mail costs although these are partly offset by savings on vacant posts.
84. The surplus of £6.689 million is transferred to the Parking and Enforcement Reserve and available to support highway, transport and environmental improvements.
85. The table below illustrates the forecast position in the reserve:

Parking & Enforcement Reserve	£'000
Balance 1st April 2022	1,022
Contribution from CPE	6,689
Total Available	7,711
Contribution to support revenue budget	(6,359)
Project support and initiatives	(600)
Balance 31st March 2024	752

86. The brought forward balance in the reserve is £1.022 million. The CPE forecast indicates a surplus of £6.689 million. The contribution to the revenue budget to fund infrastructure maintenance and improvements is £6.359 million. A further £600,000 will support various initiatives such as Active Travel, LDP transport monitoring and a provision for various transport scoping works such as the Metro. The year-end balance is forecast at £752,000.

Housing Revenue Account

87. The Housing Revenue Account (HRA) is projecting a balanced position after an assumed net drawdown from HRA earmarked reserves of £969,000.
88. The Housing Repairs Account is forecasting a £1.984 million overspend made up of responsive repairs overspends estimated at £2.684 million due to the current backlog of works and overspends within management and administration of £185,000. These variances are partly offset by forecast underspends of £576,000 for external painting, £266,000 for electrical testing, £23,000 for disabled facilities and £20,000 for void property repairs. A drawdown from the Housing Repairs and Building Maintenance earmarked reserve estimated at £305,000 is assumed to offset this position.

89. In addition, a drawdown from this reserve at £414,000 is planned to offset voluntary severance costs incurred in relation to the Homes and Neighbourhood restructure.
90. An anticipated £118,000 underspend on capital financing costs is due to lower than budgeted interest charges. Employee savings across the functions of £264,000 and utilities savings of £750,000 are also included.
91. Based on week 26 statistics, standard rent and service charge income are forecast at £65,000 above target. This is mainly due to a lower than budgeted void rent loss. Hostels and other accommodation income are forecast at £287,000 above target. This is due to a number of factors including lower than budgeted void rent loss, the availability of additional units/bed spaces at some projects and an assumed extension to the period of time that service charges will be received for food services at Ty Ephraim.
92. A £250,000 forecast spend for the new Discretionary Hardship Fund to assist tenants at risk of becoming homeless is planned to be funded by a drawdown from the HRA Welfare Reform Reserve.
93. The balance of the overall variance includes tipping charges, hostels security and Council Tax charges above related budgets.
94. There are other forecasts which due to the nature of the spend and income and the number of variables are subject to change and will need to be reviewed in detail over the coming months.

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Directorate Efficiency Saving Proposals - 2023/24

Dir	Report Ref	Description	Efficiency Savings 2023/24				Net Employee Implications (FTE)	Risk Analysis			Savings Progress			
			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
CMT	CMTE1	Expressions Of Interest/Senior Management Saving Reflects savings generated from Expressions of Interest in Voluntary Redundancy over and above those included in proposals.	239	0	0	239	(4.0)	Green	Green	Green	70	100	(139)	1 x post identified - further savings may be identified throughout the year.
Corporate Management Total			239	0	0	239	(4.0)				70	100	(139)	
	ECDE2	Increase In Workshop Income Past performance indicates that current occupation of the workshops yields income greater than the current target.	0	0	30	30	0.0	Green	Amber-Green	Green	8	8	(22)	Partially achieved - changes in tenancy have impacted. This saving relies on almost maximum sustained capacity which will not be achieved in 23/24.
	ECDE3	Increase in City Centre Management Income The team's capacity for work has increased creating greater opportunities to generate income.	0	0	30	30	0.0	Green	Amber-Green	Green	0	0	(30)	Income target considered unachievable.
	ECDE4	Delete post in Economic Development Deletion of a Grade 6 support post within Economic Development.	40	0	0	40	(1.0)	Green	Green	Green	40	40	0	Achieved.
	ECDE5	Recharge Costs for Legionella - Health & Safety Budget The proposal is to charge future Legionella testing to Education's statutory maintenance budget.	0	50	0	50	0.0	Green	Green	Green	50	50	0	Achieved.
	ECDE6	Strategic Estates (Transaction) Increased Rental Income from Ipswich Road site through re-gear lease and part surrender of site to existing tenant.	0	0	40	40	0.0	Green	Amber-Green	Green	0	20	(20)	Delays in completion of the lease re-gear transaction considered likely to result in saving only being partially achieved.
	ECDE7	Cardiff Market Service Recharge Cardiff Market service recharge - additional market manager's staff cost (increase from 1 day to 2.5 days). Average increase is £158 per stall holder, a 3.6% increase in current charge.	0	0	10	10	0.0	Green	Green	Green	5	10	0	Projected to be fully achieved - increased recharge is included within Service Charge.
	ECDE8	Brindley Road Vacate prior to the end of lease in 2024, this will achieve savings of £147k. Early vacation can be achieved with the relocation of Building Services staff from the CTS Depot to County Hall (hybrid working) making space for Highways and Cleansing Services to locate to the CTS Depot footprint. This move is already being planned but can be accelerated to vacate in 2023.	0	147	0	147	0.0	Amber-Green	Amber-Green	Green	0	0	(147)	Unachievable - this proposal will not be achieved following the operational delay to the planned closure of Brindley Rd offices. This is now likely to occur next year when a clearer position emerges.
	ECDE9	Replace the static security provision at Cardiff Castle with a remote provision The Alarm Receiving Centre (ARC) is currently upgrading existing, and implementing new, technology to improve the level of security at the Castle. The ARC will then manage security at the Castle by remote means. An on-site presence of Security Officers out of normal working hours will not then be required. Assumed full year saving against the budget will be £67k (£50k reflects implementation of 1st July 2023).	50	0	0	50	(2.5)	Amber-Green	Amber-Green	Amber-Green	50	50	0	Achieved
	ECDE10	Facilities Management Building Support Consolidation In line with the proposed changes to Core office footprint and relinquishment of Brindley Road Depot, its proposed to realign FM support with operational needs. This will result in a reduction of six posts which can be achieved through Voluntary Redundancy. This is a part year saving, with full year effect in 2024/25.	79	0	0	79	(6.0)	Amber-Green	Amber-Green	Amber-Green	79	79	0	Achieved
	ECDE11	Consolidation of Business Administration Function Across County Estates Merge and streamline administration roles into one support team and allocate resources to priority work. All staff are able to work remotely, with supervision in place. This will allow administration support to be provided to other areas of the Directorate or across the Council based on priority need.	25	0	0	25	(1.0)	Amber-Green	Amber-Green	Green	25	25	0	Achieved
	ECDE12	Subsume Brindley Road Stores into Lamby Way Stores The store at Lamby Way has been transformed into warehousing, where digital requests for PPE and equipment enable delivery of items the following working day. This supports better management of PPE and equipment and a reduction in storage requirement/staff. This proposal is to close the Facility Management led stores at Brindley Road with the loss of the two stores related posts.	43	0	0	43	(2.0)	Amber-Green	Amber-Green	Green	43	43	0	Achieved
	ECDE13	Grant Maximisation Utilise external grant funding to support services within Culture, Parks & Events.	0	0	105	105	0.0	Green	Green	Green	21	105	0	Projected to be fully achieved with £5k claimed at Q1. £16k claimed in Q2.
	ECDE14	Grant Maximisation Utilise external grant funding to support services within Investment & Development.	0	0	222	222	0.0	Green	Green	Green	150	222	0	Projected to be fully achieved with £62k grant claimed in Q1. £87k claimed in Q2.

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			Employees £000	External/Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
	ECDE15	Event Management - Minimum Service This proposal would reduce the establishment by deleting the vacant Exhibitions Officer Grade 9 (£38k) and remove the Cardiff Council Associated Events Budget of £10k.	38	10	0	48	(1.0)	Green	Amber-Green	Green	48	48	0	Achieved
	ECDE16	Restructure of Strategic Estates Department Proposal is to delete a vacant part time Grade 10 post, and a vacant Grade 5 post in the Disposals team and to create a single Grade 7 Surveyor post to support the non-Operational/Major Projects group.	25	0	0	25	(0.6)	Green	Amber-Green	Green	25	25	0	Achieved
	ECDE17	Further Restructure of Strategic Estates Department Deletion of two posts through Voluntary Redundancy/Retirement in addition to ECDE16 above. Remodelling the service would involve a reduction in officer capacity over the medium term.	80	0	0	80	(2.0)	Amber-Green	Amber-Green	Green	0	40	(40)	Partially achieved - delays in relevant staff leaving the authority is to result in saving only being partially achieved.
	ECDE18	Business, Investment & Tourism – Reduction of Service to Make it Cost Neutral to the Council Removal of 4 posts, which will reduce the level of service provision. These posts relate to unfilled/vacant posts across the service area with no impact on existing employed staff. Grant funding will also be increasingly used to maintain levels of service delivery across Business, Investment and Tourism.	281	20	(182)	119	(4.0)	Green	Amber-Green	Green	119	119	0	Achieved
	ECDE19	Cardiff Castle Deletion of 1 FTE Grade 6 Post and 0.68 FTE Grade 3 post via Voluntary Redundancy.	61	0	0	61	(1.7)	Green	Green	Green	57	57	(4)	Partially achieved - £57k achieved with VR taking place in March and June 23. £4k unachieved due to slight delay in release of second post.
Economic Development Total			722	227	255	1,204	(21.8)				720	941	(263)	
Recycling & Neighbourhood Services	RNSE1	Removal of Bespoke (striped) Bag Delivery This has been effective since July 2022. Properties without black wheeled bins were previously supplied with red-striped bags for general waste. The change reduces procurement of single use plastic. Cardiff was the only Local Authority in Wales to provide bags.	0	50	0	50	0.0	Green	Green	Green	50	50	0	Achieved
	RNSE2	Review of Internal Recharges into the Trade Waste Service Increased recharge to Trade Waste Service that more accurately reflects the use of infrastructure at Lamby Way.	0	0	70	70	0.0	Green	Green	Green	70	70	0	Achieved
	RNSE3	Round Balancing Rebalancing the recycling rounds to reduce their number. Monitoring the completion of rounds indicates that a reduction in rounds is feasible. The proposed saving reflects voluntary redundancy. It does not include potential vehicle savings which would need to be worked through.	100	0	0	100	(3.0)	Green	Green	Green	50	100	0	On target
	RNSE4	Grant Maximisation Utilise external grant funding to support Neighbourhood Services.	0	0	40	40	0.0	Green	Green	Green	20	40	0	On target
	RNSE5	Distribution of Recycling Bags A reduction in delivery of single-use plastics (green recycling bags) and a move towards reusable sacks places less demand on this function, allowing for the deletion of 1 FTE Grade 4 Distribution Operative Post via Voluntary Redundancy.	31	0	0	31	(1.0)	Green	Green	Green	31	31	0	Achieved.
Recycling and Neighbourhood Services Total			131	50	110	291	(4.0)				221	291	0	
EDUE	EDUE1	Transfer responsibility for annual Capita One licence fee to Schools ICT Investment programme The annual Capita One licence is currently paid from central Education budgets. It is proposed that the cost of the licence will instead be borne by the School ICT Investment Programme (a pooled schools' budget), going forwards.	0	133	0	133	0.0	Green	Green	Green	133	133	0	Achieved.
	EDUE2	Fund a proportion of Education Welfare Officer (EWO) costs from the Local Authority Education Grant (LAEG) The LAEG contains an element of funding for improving school attendance. The proposal is to utilise this funding to offset some of the costs of the EWO team.	0	0	50	50	0.0	Green	Green	Green	50	50	0	Achieved.
	EDUE3	Restructure the Business Support function within Services to Schools Restructure of the Business Support team that supports Services to Schools in order to more effectively manage the impact of Universal Primary Free School Meals and the National Plan for Music Education.	35	0	0	35	(1.0)	Green	Green	Green	35	35	0	Achieved.
	EDUE4	Increase contribution from Post 16 grant towards Research and Information The Research and Information team is currently part-funded by the Post-16 grant. The proposal is to utilise a further £20k of the grant to offset the costs of this team.	0	0	20	20	0.0	Green	Green	Green	20	20	0	Achieved.

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			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
Education	EDUE5	Facilitate the move of all schools telephony system to digital This saving would be generated by moving all schools to digital telephony systems, rather than the costly analogue systems currently in place at a majority of schools. In the 2019/20 financial year schools spent £568k on telephone systems and charges. A recent procurement exercise has identified that savings in the region of £200k may be possible.	0	200	0	200	0.0	Amber-Green	Green	Green	200	200	0	Budget saving to be found through different mechanism.
	EDUE6	Additional contribution from capital funding towards SOP staffing costs Further increase the level of contribution from capital funding for salary costs associated with the SOP programme.	0	0	200	200	0.0	Green	Green	Green	200	200	0	Achieved.
	EDUE7	Education Consortia - Increase use of WG Grants and deletion of posts Proposal is to delete 2 x 0.8 FTE posts within Achievement/Looked After Children teams, and to increase the proportion of grant being channelled directly to the Council (rather than Consortium) to offset other existing costs including training.	70	0	50	120	(1.6)	Amber-Green	Green	Green	120	120	0	Staffing release has occurred - funding streams now reduce base budget spend.
	EDUE8	Identify and reduce duplication of activity and provision in School Improvement The Council has developed a Curriculum team within the Education Directorate which assists schools in their development of the curriculum in their schools. This proposal will explore whether there is any duplication of provision with the Central South Consortium and identify efficiencies.	124	0	0	124	(3.0)	Amber-Green	Green	Green	124	124	0	Staffing release has occurred and SOP funding still at same level.
	EDUE9	Align the budgets of the Youth Service, Cardiff Commitment and Child Friendly Cities Teams and increase the use of external funding sources The net revenue budget for the Youth Service has been increased incrementally over the past few years following a significant reduction six years ago. The Council has also provided additional funds to create and sustain the Child Friendly Cities and Cardiff Commitment provision and teams. This proposal would explore the potential to align the budgets held for the Youth Service, the Child Friendly City and Cardiff Commitment teams and to increase the use of external grant funding to sustain these programmes of work.	0	0	400	400	0.0	Green	Green	Green	400	400	0	Funding streams identified and factored into monitoring position.
	EDUE10	Further efficiencies from the 'Team around the School' approach to working The move to a 'Team around the School' approach to working has identified some benefits in reducing meetings between the school and different teams of the Council together with a greater ability to focus on solutions to identified issues. This suggestion would mean the further exploration of this to include all Council teams involved with schools together with further exploration of teams being accommodated in schools.	0	100	0	100	0.0	Amber-Green	Amber-Green	Amber-Green	0	0	(100)	Plans progressing but unlikely to result in savings in 23/24.
	EDUE11	Introduce contract arrangements for all Out of County placements Introduce a contractual procurement process for all Out of County placements of pupils with Additional Learning Needs. Block booking of provision would lead to economies of scale in procuring these places.	0	50	0	50	0.0	Red-Amber	Green	Green	0	0	(50)	Currently OOC is significantly overspent despite budget realignment. Procurement efficiencies yet to be detailed.
Education Total			229	483	720	1,432	(5.6)				1,282	1,282	(150)	
Environment	PTEE1	Transport Teams - Review basis of recharging to Capital Schemes Maximising opportunities for recharging for services to WG grants and capital schemes within Transport Policy, Programme & Active Travel teams.	0	0	50	50	0.0	Green	Amber-Green	Green	16	50	0	On target to be fully achieved
	PTEE2	Energy: Review existing business cases The proposal is to re-evaluate all business cases (Lamby Way Solar Farm/Radyr Weir/PV schemes) against existing performance and targets across the entire energy portfolio, and balance this with indications around future income. The energy sold price (Lamby Way) is reflective of the current market conditions - this may increase from 2023/24 onwards but figures are not yet confirmed - they will be negotiated in readiness for April 2023. For 2023/24, the price increase received for energy will be reviewed as part of this overall process. Review will take account of previous shortfalls to income targets.	0	0	100	100	0.0	Green	Amber-Green	Green	79	100	0	On target to be fully achieved.
	PTEE3	Smart Parking - Parking Sensors The proposal is to not renew the Smart Parking contract as parking sensors are not utilised fully at present. The contract with the installation company has expired and the company is not able to offer renewal or maintenance support.	0	180	0	180	0.0	Green	Green	Green	180	180	0	Achieved
	PTEE4	Schools Crossing Patrols Underspend and Vacant Posts The saving reflects an underspend in the current year which can be maintained without impacting current crossing patrols, through the deletion of vacant posts (1.94 FTE).	38	0	0	38	(1.9)	Green	Green	Green	38	38	0	Achieved

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			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
Planning, Transport and Envi	PTEE5	Street Lighting Energy Initiatives Review the wattage requirements and dimming regime across the entire Street Lighting network with the aim of decreasing energy usage. Achievability rating relates to staff resource to complete this whilst also rolling out LED and the potential for complaints which may require reverting back to previous levels.	0	60	0	60	0.0	Green	Amber-Green	Green	0	0	(60)	The usage data is being reviewed as it is indicating no reduction in kwh's compared to the previous year.
	PTEE6	Reshaping to identify Voluntary Redundancy and alternative funding opportunities across PTE	24	0	121	145	(0.3)	Amber-Green	Amber-Green	Green	45	145	0	On target to be fully achieved.
	PTEE7	Fees & Charges - PTE Generate additional income through increases to a number of fees & charges in respect of highways and transportation.	0	0	10	10	0.0	Green	Amber-Green	Amber-Green	10	10	0	Achieved
	PTEE8	Review Business Support service, streamline and restructure	80	0	0	80	(2.0)	Amber-Green	Amber-Green	Green	24	47	(33)	Probable shortfall due to timing of VS.
	PTEE9	Clamping Additional Income being generated from camera car dual operation.	0	0	50	50	0.0	Green	Green	Green	18	50	0	On target to be fully achieved.
	PTEE10	S278/38 Charges Change charging basis of linear rate.	0	0	50	50	0.0	Amber-Green	Amber-Green	Green	27	50	0	On target to be fully achieved.
	PTEE11	Road Safety / Transport Team - Reshaping Deletion of one vacant post with no service impact together with increased income through maximising recharges to external grants.	18	0	52	70	(0.4)	Amber-Green	Amber-Green	Green	7	70	0	On target to be fully achieved.
	PTEE12	Deletion of vacant Support Post (Grade 4) in PTE £416k growth was put into the base budget for 2022/23 to support One Planet initiatives and work. This is the deletion of a vacant Grade 4 support post.	27	0	0	27	(1.0)	Green	Green	Green	27	27	0	Achieved.
	PTEE13	Grant Maximisation Utilise external grant funding to support Highways.	0	0	120	120	0.0	Green	Green	Green	120	120	0	Achieved.
	PTEE14	Drainage - Sustainable Drainage Approval Body substantial price increase to Pre Application Discretionary charge to be increased taking into account benchmarking with other Local Authorities. Only possible on pre-application as this is the discretionary charge. There is a risk that increasing the charge may result in reduction in the take up of the service but benchmarking gives some confidence on this point.	0	0	30	30	0.0	Amber-Green	Green	Green	8	30	0	On target to be fully achieved.
Planning, Transport and Environment Total			187	240	583	1,010	(5.6)				599	917	(93)	
Performance & Partnerships	P&PE1	Ukraine Refugees and Asylum Seeker support Recovering costs for staff time associated with managing the local response to the Ukraine Refugee crisis.	0	0	70	70	0.0	Green	Amber-Green	Green	23	70	0	On target to be fully achieved.
	P&PE2	Cardiff Engagement Team The proposal seeks to strengthen engagement practices and deliver efficiencies in the Cardiff engagement team. The proposal includes investment in technology to reduce staff workload, unlock capacity and improve productivity which may impact staff, and further detail will be brought forward following a review of the technology.	0	0	32	32	0.0	Green	Green	Green	11	32	0	On target to be fully achieved.
	P&PE3	Reduce Policy Initiatives Budget	0	15	0	15	0.0	Green	Green	Green	15	15	0	Achieved.
	P&PE4	Efficiency Savings in Communications, Media and Design Reduction in subscriptions budget in corporate communications (£15k), increase income for Design Team (£19k) and reduction in Campaigns budget (£5k).	0	20	19	39	0.0	Amber-Green	Amber-Green	Green	20	39	0	On target to be fully achieved.
	P&PE5	Reduction in Staffing in Cabinet Office Deletion of two vacant posts: Policy Officer (Grade 6) and Cabinet Administrative Support officer (Grade 3).	65	0	0	65	(2.0)	Green	Green	Green	65	65	0	Achieved.
	P&PE6	Integration of Corporate, Contextual and Regional Safeguarding teams The integration of three teams and use of external funding will generate efficiency savings.	0	0	23	23	0.0	Green	Green	Green	8	23	0	On target to be fully achieved.
	P&PE7	Community Safety Problem Solving team - Grant funding Utilise external grant funding to support the expansion of the Community Safety problem solving team.	0	0	171	171	0.0	Green	Green	Green	57	171	0	On target to be fully achieved.

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	P&PE8	Increased income & productivity in Bilingual Cardiff. Bilingual Cardiff already provides full translation services for two neighbouring local authorities as well as two regional health boards through contractual agreements or SLAs. Bilingual Cardiff is currently going through a restructure which is designed to provide more capacity to tender for further external translation contracts. The increased income target reflects this, with the intention of securing further contracts over the years to come.	0	0	45	45	0.0	Amber-Green	Green	Green	22	45	0	On target to be fully achieved.
	P&PE9	Grant Maximisation Utilise external grant funding to support Cardiff Research Centre and Community Safety.	0	0	94	94	0.0	Green	Green	Green	31	94	0	On target to be fully achieved.
People and Communities - Performance and Partnerships Total			65	35	454	554	(2.0)				252	554	0	
Housing & Communities	HACE1	Benefits Rollout of Universal Credit and the migration of legacy claims to Universal Credit reduces the caseload of Housing Benefit thus allowing the release of staff. Savings are generated by deleting vacant posts and voluntary redundancy.	90	0	0	90	(3.5)	Green	Green	Green	82	82	(8)	The unachieved element relates to a delay in planned VS leaving date.
	HACE2	Advice: Management Costs The proposal is to utilise external grant funding to support an element of management costs.	0	0	38	38	0.0	Amber-Green	Amber-Green	Green	38	38	0	Achieved.
	HACE3	Delete Skills for Work & Life Team (2 posts) Efficiencies in providing digital support and training for Council staff.	64	0	0	64	(2.0)	Amber-Green	Amber-Green	Red-Amber	64	64	0	Achieved.
	HACE4	Hub Staff Reduction Deletion of 2 vacant Grade 3 Posts and 1 Voluntary Redundancy.	96	0	0	96	(3.0)	Green	Green	Green	96	96	0	Achieved.
	HACE5	Into Work Gateway Posts Utilise external grant funding to support the Into Work Gateway.	0	0	46	46	0.0	Amber-Green	Amber-Green	Green	46	46	0	Achieved.
	HACE6	Book Fund The Book Fund is used to provide new book stock to Hubs and Libraries. Collection HQ software will allow the service to use borrowing trends to identify where stock can be best used within the city and tailor movement of stock around demand. There is capacity for a smarter approach to stock provision within individual locations, enabling the service to take a more dynamic approach to our book stock. This approach will ensure increased circulation of stock across the city, thereby supporting a reduction in the book fund of £50k.	0	50	0	50	0.0	Green	Green	Green	50	50	0	Achieved - Budget reduced and spend plan adjusted accordingly.
	HACE7	Quality and Appeals Deletion of Grade 9 post when it becomes vacant in October. The work will be absorbed by the wider team.	27	0	0	27	(1.0)	Green	Green	Green	27	27	0	Achieved.
	HACE8	Gypsy/ Traveller Site Grant Income Maximising grant income from Housing Support Grant and Children and Communities Grant.	0	0	20	20	0.0	Green	Green	Green	20	20	0	Achieved.
	HACE9	Advice Team - Grant Maximisation Opportunities Utilise external grant funding to support the Advice Team.	0	0	99	99	0.0	Amber-Green	Amber-Green	Green	99	99	0	Achieved.
	HACE10	Grants to third sector Grant to the Huggard for Day Centre/Bond Officer will transfer into the Housing Support Grant from April 2022.	0	0	25	25	0.0	Green	Green	Green	25	25	0	Achieved.
	HACE11	Early Help Vacancy Provision It is proposed to build in an 8% vacancy provision within the Children and Family Advice Service element of Early Help budget - this would release 117k base budget. The service is funded by both base budget and Children and Communities Grant. Due to the temporary nature of the roles its deemed that this is achievable as there is a consistent level of vacancies.	117	0	0	117	0.0	Green	Green	Green	39	117	0	On target to be fully achieved.
	HACE12	Community Inclusion Posts It is proposed to cover the base budget element for the Community Inclusion Officer Posts via grant funding which is currently confirmed for two years. The posts in question are funded 50% from the General Fund and 50% from the HRA.	0	0	67	67	0.0	Amber-Green	Amber-Green	Green	67	67	0	Achieved.
	HACE13	Cathays Heritage Library Employee Savings Deletion of a vacant post.	11	0	0	11	(0.5)	Green	Green	Green	11	11	0	Achieved.
	HACE14	Reduction in Training and IT budgets Reduction in training budget (£12k) and IT budget (£20k).	0	32	0	32	0.0	Green	Green	Green	11	32	0	On target to be fully achieved.
	HACE15	Estate Management Local Action Team - Deletion of Grade 6 post In 2022/23 policy growth of £500k was awarded to fund team expansion. Delays in appointments and successive unsuccessful recruitment efforts have led to vacant posts. This proposal would delete the vacant Grade 6 Local Action Team Supervisor.	34	0	0	34	(1.0)	Green	Green	Green	34	34	0	Achieved.
	HACE16	Grant Maximisation Utilise external grant funding to support services within Housing & Communities.	0	0	160	160	0.0	Green	Green	Green	160	160	0	Achieved.

Dir	Report Ref	Description	Efficiency Savings 2023/24				Net Employee Implications (FTE)	Risk Analysis			Savings Progress			
			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
	HACE17	Mobile Services Deletion of 1 FTE Grade 4 Senior Assistant - Housebound Post via Voluntary Redundancy.	31	0	0	31	(1.0)	Green	Green	Green	31	31	0	Achieved.
	ECDE1	Full review of Play Services To create efficiencies including consideration of utilisation of grant income where appropriate.	0	0	57	57	0.0	Green	Green	Green	0	57	0	Currently forecasted to be fully achieved.
People & Communities - Housing and Communities Total			470	82	512	1,064	(12.0)				900	1,056	(8)	
Adults' Services	ADUE1	Older Persons - Use of Occupational Therapist to review double handed care packages The increased use of aids and equipment can reduce the need for domiciliary care and in particular double handed care. Funding has already been set aside for this and for further investment in older persons services.	0	170	0	170	0.0	Amber-Green	Green	Green	76	170	0	£76k verified as full year saving on reviewed packages of care. Further £94k anticipated to be achieved.
	ADUE2	Increase Health Contribution to Care Ensuring appropriate contribution from the Health Board towards the cost of care packages.	0	0	450	450	0.0	Amber-Green	Green	Green	225	450	0	Projected to be achieved based on current billing
	ADUE3	Review of Respite Provision The proposal is to commission a block of respite beds to achieve better value for money, to better plan respite so this is not a crisis response and to use other forms of respite such as live in carers, greater use of direct payments and supported holiday placements.	0	75	0	75	0.0	Amber-Green	Green	Green	0	0	(75)	Pilot now in place - will review impact at month 8.
	ADUE4	Review of Direct Payments The use of direct payment personal assistants (PAs) is a more cost effective way of delivering care, while also giving more choice to our service users. While not suitable for all types of care provision, this could replace low level care from agencies and also help to meet non-care needs such as shopping, which the service user could self-fund. It is proposed to review direct payment arrangements and to consider encouraging the growth of micro- enterprises to grow the number of PAs.	0	98	0	98	0.0	Amber-Green	Amber-Green	Green	0	50	(48)	Micro-Enterprises initiative to commenced 1st October. Will require review of progress as year progresses to evidence that projected figure has been achieved.
	ADUE5	Development of Additional Accommodation and Support Options To support independence and allow step down from residential care.	0	235	0	235	0.0	Amber-Green	Amber-Green	Green	0	75	(160)	Part year achievability related to upcoming schemes (anticipated from Q4). Saving should be fully achieved in 2024/25.
	ADUE6	Greater alignment across the Adults Housing and Communities Directorate Adult Services and Housing and Communities have recently been brought together into one directorate and there are opportunities for greater joint working and reducing duplication.	80	0	0	80	(1.0)	Green	Green	Green	0	20	(60)	Savings linked with Older People re-structure which has been delayed. Anticipated savings for final quarter of 2023 24 only.
	ADUE7	Maximisation of grant funding opportunities Maximisation of grant funding opportunities to fund eligible expenditure.	0	0	261	261	0.0	Green	Green	Green	261	261	0	Use of Grant Income confirmed and savings achieved.
People & Communities - Adults' Services Total			80	578	711	1,369	(1.0)				562	1,026	(343)	
Children's Services	CHDE1	Review business support Deletion of business support posts in line with service changes and amalgamation of policy posts.	40	0	0	40	(1.5)	Green	Green	Green	40	40	0	Savings achieved through holding vacant posts.
	CHDE2	Review the Management Structures within Training and Development and Direct Service Provision The recent reshaping of the senior management team in Children's Services has aligned all the care planning under one OM1 and all internal and central services under the other OM1. This next stage would be to bring together all the direct interventions teams under one senior manager.	40	0	0	40	(1.0)	Amber-Green	Amber-Green	Amber-Green	40	40	0	Saving achieved through holding other post vacancy, whilst service redesign is implemented.
	CHDE3	Use of Ty Storrrie to support bespoke packages Increasing bed occupancy in the respite unit to allow reduction of 1 x Child Health and Disability (CHAD) bespoke placement for 40 weeks of the year savings £10k per week. We would need to ensure additional support was available to increase the staffing capacity to meet the high level of needs of these young people.	0	400	0	400	TBC	Amber-Green	Amber-Green	Green	0	200	(200)	Half year saving projected from October onwards.
	CHDE4	Review packages of support for children with disabilities in line with legislation and eligibility criteria The Children with Disabilities team have a significant number of high-cost packages (many of which were established during the covid period) that could be reviewed, ensuring that partners are supporting children where appropriate and whether the support best meets the needs of the child.	0	200	0	200	0.0	Amber-Green	Amber-Green	Red-Amber	0	150	(50)	CHAD Support costs are increasing but review is to take place, project 75% of saving.
	CHDE5	Remove 3 Parent Support posts within Localities Proposal is to delete 3 agency posts. The expansion of the interventions hub is best placed to provide holistic family support in the new model.	210	0	0	210	0.0	Green	Amber-Green	Green	210	210	0	Posts have been deleted.

Dir	Report Ref	Description	Efficiency Savings 2023/24				Net Employee Implications (FTE)	Risk Analysis			Savings Progress			
			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
	CHDE6	Court redaction for rolling disclosures – spend to save Currently this service is commissioned via private legal firms. The proposal is that it is brought in house and becomes part of the wider team that deal with all court redaction work.	(40)	60	0	20	1.0	Green	Green	Green	20	20	0	Saving achieved in full.
	CHDE7	Review commissioning of external assessments. Currently several types of specialist assessments are outsourced due to time constraints and lack of expertise. A business case would be required to do a cost benefit analysis.	0	45	0	45	0.0	Red-Amber	Amber-Green	Green			(45)	Expenditure remains high and saving not considered achievable.
	CHDE8	Special Guardianship Orders conversions from Independent Fostering Agencies Review care plans of Children & Young People in Independent Fostering Agencies to consider transfer to Special Guardianship Orders.	0	60	0	60	0.0	Red-Amber	Green	Green			(60)	SGO numbers have fallen.
	CHDE9	Integration of Child Health & Disability (CHAD) into the locality working model Consideration could be given to merging the CHAD teams into the locality teams and reducing the number of managers required.	65	0	0	65	(0.8)	Amber-Green	Amber-Green	Amber-Green	55	55	(10)	Service redesign and staff changes implemented, part year cost.
	CHDE10	Business case for Interventions Hub - out of hours support. Children's Services have recently brought together all the disparate interventions under one service manager and are proposing to increase this team which already works outside of office hours to support families in crisis and children on the edge of care.	0	200	0	200	0.0	Red-Amber	Green	Green	0	200	0	Following implementation review, saving to be achieved through different means from December onwards. To be achieved in full.
People & Communities - Children's Services Total			315	965	0	1,280	(2.3)				365	915	(365)	
Resources	RESE1	To maintain and improve the collection rate for Council Tax To reduce the number of staff in Revenues would put at risk the current level of Council Tax collected, therefore the focus of the proposal is maintaining and potentially surpassing the increase in Council Tax income suggested here.	0	0	350	350	0.0	Amber-Green	Amber-Green	Green	350	350	0	Projected to be fully achieved.
	RESE2	Accountancy Efficiencies The saving is predicated on redefining exactly what accountants should do and what the team should expect from their customers in order to maintain a service at a reduced cost level base. This, combined with improvements in receiving information in a ready to use format and the use of Power BI as a monitoring and financial advice tool, will assist in delivering the efficiencies.	170	0	0	170	(4.0)	Amber-Green	Amber-Green	Green	170	170	0	Achieved.
	RESE3	Audit efficiencies Reduce the Audit team budget by £40,000 through flexible retirement and use of vacant posts.	40	0	0	40	(1.0)	Green	Amber-Green	Green	40	40	0	Achieved.
	RESE4	Transactional Finance Savings Reviewing processes to deliver two full time post savings.	55	0	0	55	(2.0)	Amber-Green	Amber-Green	Green	0	0	0	Achieved.
	RESE5	Information governance Efficiencies Reducing the IG staffing structure.	65	0	0	65	(1.0)	Amber-Green	Green	Green	65	65	0	Achieved.
	RESE6	Revenues Efficiencies Efficiencies in terms of Accounts Receivable and postages and printing. This is a precursor to service change review of processes, systems and external spend and the reduction of one post.	45	25	0	70	(1.0)	Amber-Green	Green	Green	10	70	0	On target to be fully achieved.
	RESE7	HR Efficiencies Spend efficiencies in 2023/24.	0	15	0	15	0.0	Amber-Green	Amber-Green	Green	15	15	0	Achieved.
	RESE8	Customer & Digital Services Reduction in Posts Reduction in posts through deletion of vacancies and voluntary redundancy.	136	0	0	136	(4.0)	Green	Amber-Green	Amber-Green	136	136	0	Achieved through VS and deletion of vacant posts.
	RESE9	Mobile Phone Contract - Procurement Savings Changing how the service is managed will result in savings during corporate contract renewal.	0	300	0	300	0.0	Green	Green	Green	300	300	0	Achieved.
	RESE10	Review of Directorate PA posts Delete one vacant 0.5 FTE post and one Grade 4 post through Voluntary Redundancy.	45	0	0	45	(1.5)	Green	Green	Green	45	45	0	Achieved.
	RESE11	Phasing of HR Restructure Saving is available through the delayed implementation of the proposed HR restructure.	200	0	0	200	0.0	Green	Amber-Green	Green	200	200	0	Achieved.
	RESE12	Reduce External Spend within Finance External spend budgets have been reviewed and a £10k saving is realisable.	0	10	0	10	0.0	Amber-Green	Amber-Green	Green	0	10	0	Projected to be fully achieved.
	RESE13	Central Transport Services Deletion of vacant OM2 post as part of wider service restructure.	78	0	0	78	(1.0)	Amber-Green	Amber-Green	Green	78	78	0	Achieved.
Resources Total			834	350	350	1,534	(15.5)				1,409	1,479	0	

Dir	Report Ref	Description	Efficiency Savings 2023/24				Net Employee Implications (FTE)	Risk Analysis			Savings Progress			
			Employees £000	External/ Other £000	Income £000	Total Proposed £000		Achievability	Residual	EIA	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
Council Total			3,272	3,010	3,695	9,977	(73.8)				6,380	8,561	(1,361)	

<u>DIRECTORATE & SCHEME</u>	2023-2024 Programme £000	2022-23 Slippage £000	Budget Revision £000	Virements £000	Changes & New Approvals £000	Total Programme 2023-24 £000	Outturn £000	Slippage £000	(Underspend)/ Overspend £000	Total Variance £000	
<u>ECONOMIC DEVELOPMENT</u>											
<u>Business & Investment</u>											
1	Town Centre Loan Scheme	0	0	0	0	1,927	1,927	1,927	0	0	0
2	Business Grants	0	0	0	0	120	120	120	0	0	0
3	S106 Schemes	118	54	(54)	0	0	118	0	(118)	0	(118)
	Total Business & Investment	118	54	(54)	0	2,047	2,165	2,047	(118)	0	(118)
<u>City Development & Major Projects</u>											
4	Indoor Arena Enabling Works - Council Contribution	7,877	1,930	0	0	0	9,807	4,750	(5,057)	0	(5,057)
5	Indoor Arena - Direct Funding for Income Strip	(24,558)	33,408	0	0	0	8,850	0	(8,850)	0	(8,850)
6	International Sports Village Phase 2 - Development	0	1,840	0	0	0	1,840	1,000	(840)	0	(840)
7	Central Square Public Realm	0	342	(342)	0	0	0	0	0	0	0
8	Cardiff East Regeneration Strategy	(247)	0	247	0	0	0	0	0	0	0
9	Shared Prosperity Fund (SPF)	45	0	0	0	253	298	298	0	0	0
10	SPF - Business Capital Grants	150	0	0	0	100	250	250	0	0	0
11	SPF - Major Projects Grant	150	0	0	0	0	150	150	0	0	0
12	Codebreakers Statue	0	58	0	0	80	138	138	0	0	0
	Total City Development & Major Projects	(16,583)	37,578	(95)	0	433	21,333	6,586	(14,747)	0	(14,747)
<u>Parks & Green Spaces</u>											
13	Asset Renewal Parks Infrastructure	140	74	0	0	232	446	446	0	0	0
14	Play Equipment	290	(151)	0	0	0	139	229	90	0	90
15	Teen/Adult Informal Sport and Fitness Facilities	200	329	0	0	0	529	150	(379)	0	(379)
16	Lawn Tennis Association - Parks Tennis Courts	0	0	0	0	379	379	379	0	0	0
17	Cricket Wicket Installation	0	0	0	0	45	45	45	0	0	0
18	Green Flag Park Infrastructure Renewal	100	67	0	0	9	176	36	(140)	0	(140)
19	Roath Park Dam	(772)	1,067	0	0	0	295	525	230	0	230
20	Flatholm Island - National Heritage Lottery Fund Project	(165)	400	0	0	0	235	50	(185)	0	(185)
21	S106 Funded Schemes	1,655	0	0	0	0	1,655	1,087	(568)	0	(568)
	Total Parks & Green Spaces	1,448	1,786	0	0	665	3,899	2,947	(952)	0	(952)
<u>Leisure</u>											
22	Asset Renewal Buildings	216	0	0	0	0	216	216	0	0	0
23	Pentwyn Leisure Centre Redevelopment	(1,394)	1,400	0	0	0	6	200	194	0	194
	Total Leisure	(1,178)	1,400	0	0	0	222	416	194	0	194
<u>Venues & Cultural Facilities</u>											
24	Asset Renewal Buildings	70	0	0	0	0	70	70	0	0	0
25	Grassroots Music Venue	15	0	0	0	0	15	15	0	0	0
	Total Venues & Cultural Facilities	85	0	0	0	0	85	85	0	0	0
<u>Property & Asset Management</u>											
26	Asset Renewal Buildings	1,569	1,256	0	0	0	2,825	1,825	(1,000)	0	(1,000)
27	Community Asset Transfer	0	25	0	0	0	25	0	(25)	0	(25)
28	Investment Property Strategy	0	0	0	0	580	580	580	0	0	0
29	Cardiff Central Market Regeneration	0	40	0	0	62	102	102	0	0	0
30	Core Office Strategy - Oak House/Wilcox House/ARC	0	4,196	0	0	0	4,196	2,147	(2,049)	0	(2,049)
31	Core Office Strategy - City Hall	1,500	0	0	0	0	1,500	500	(1,000)	0	(1,000)
32	ARC and County Hall Security	0	0	0	135	0	135	135	0	0	0
	Total Property & Asset Management	3,069	5,517	0	135	642	9,363	5,289	(4,074)	0	(4,074)
<u>Harbour Authority</u>											
33	Harbour Asset Renewal	220	0	0	0	237	457	457	0	0	0
	Total Harbour Authority	220	0	0	0	237	457	457	0	0	0
<u>Recycling Waste Management Services</u>											
34	Property Asset Renewal	0	66	0	0	0	66	66	0	0	0
35	Waste Recycling and Collection Review	400	0	0	0	0	400	290	(110)	0	(110)

<u>DIRECTORATE & SCHEME</u>		2023-2024 Programme	2022-23 Slippage	Budget Revision	Virements	Changes & New Approvals	Total Programme 2023-24	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
36	Waste Recycling and Depot Site Infrastructure	140	(12)	0	0	0	128	128	0	0	0
37	Material Recycling Facility	45	(7)	0	0	0	38	38	0	0	0
38	Waste Grants Match Funding	0	100	0	0	0	100	0	(100)	0	(100)
39	Circular Economy Fund Grant	800	0	0	0	(800)	0	0	0	0	0
40	WG ULEVTF Rapid Charging Infrastructure	0	0	0	0	161	161	161	0	0	0
41	SPF - Love Where You Live	30	0	0	0	0	30	30	0	0	0
Total Recycling Waste Management Services		1,415	147	0	0	(639)	923	713	0	(210)	(210)
TOTAL ECONOMIC DEVELOPMENT		(11,406)	46,482	(149)	135	3,385	38,447	18,540	(19,907)	0	(19,907)
EDUCATION & LIFELONG LEARNING											
Schools - General											
Planning & Development											
42	Asset Renewal Buildings	7,815	0	0	(344)	0	7,471	13,073	5,602	0	5,602
43	Asset Renewal Invest to Save	9,000	(9,344)	0	344	0	0	0	0	0	0
44	Suitability / Sufficiency	2,720	2,024	0	0	3,284	8,028	23,011	14,818	165	14,983
45	WG Capital: Universal Free School Meals	0	926	0	0	0	926	926	0	0	0
46	S106 Funded Schemes	2,101	2,275	(2,275)	0	2,000	4,101	4,101	0	0	0
Total Planning & Development		21,636	(4,119)	(2,275)	0	5,284	20,526	41,111	20,420	165	20,585
Schools Organisation Planning											
47	21st Century Schools - Band B	43,420	21,484	0	0	10,407	75,311	44,740	(30,571)	0	(30,571)
48	Site Acquisition and Enabling Works	13,038	0	0	0	1,082	14,120	6,496	(7,624)	0	(7,624)
Total Schools Organisation Planning		56,458	21,484	0	0	11,489	89,431	51,236	(38,195)	0	(38,195)
TOTAL EDUCATION & LIFELONG LEARNING		78,094	17,365	(2,275)	0	16,773	109,957	92,347	(17,775)	165	(17,610)
PEOPLE & COMMUNITIES											
COMMUNITIES & HOUSING											
Neighbourhood Regeneration											
49	Neighbourhood Renewal Schemes	100	522	0	0	0	622	402	(220)	0	(220)
50	District Local Centres	40	233	0	0	0	273	40	(233)	0	(233)
51	Alleygating	0	(46)	0	0	0	(46)	135	181	0	181
52	Transforming Towns Placemaking (WG)	435	0	0	0	0	435	120	0	(315)	(315)
53	Rhiwbina Hub	0	20	0	0	0	20	30	0	10	10
54	Canton Community Hub	1,100	0	0	0	0	1,100	250	(850)	0	(850)
55	City Centre Youth Hub	0	119	0	0	0	119	92	(27)	0	(27)
56	SPF - Buildings at Risk	20	0	0	0	0	20	20	0	0	0
57	SPF - Community Building Grants	70	0	0	0	0	70	70	0	0	0
58	Youth Zone - Cowbridge Road West Regeneration	0	76	0	0	0	76	0	(76)	0	(76)
59	S106 Funded Projects	750	255	(255)	0	0	750	18	(732)	0	(732)
Total Neighbourhood Regeneration		2,515	1,179	(255)	0	0	3,439	1,177	(1,957)	(305)	(2,262)
Housing (General Fund)											
60	Disabled Facilities Service	5,000	(275)	0	0	0	4,725	4,725	0	0	0
61	Enable Grant	655	0	0	0	0	655	655	0	0	0
62	Independent Living Wellbeing Hub - Displacement	(1,101)	4,601	(3,500)	0	0	0	0	0	0	0
63	British Iron and Steel Federation Properties (BISF) - Energy Efficiency Retrofit (WG)	1,150	0	0	0	0	1,150	100	(1,050)	0	(1,050)
64	Disbursed Accommodation VAWDASV	0	0	0	0	602	602	602	0	0	0
65	Traveller Site Expansion	0	0	0	0	62	62	62	0	0	0
66	Estate Environmental Improvements	240	83	0	0	0	323	103	(220)	0	(220)
Total Housing		5,944	4,409	(3,500)	0	664	7,517	6,247	(1,270)	0	(1,270)
Flying Start											
67	Flying Start	2,550	20	0	0	0	2,570	2,570	0	0	0
68	Moorland Primary	0	3,050	0	0	0	3,050	3,050	0	0	0

<u>DIRECTORATE & SCHEME</u>		2023-2024 Programme	2022-23 Slippage	Budget Revision	Virements	Changes & New Approvals	Total Programme 2023-24	Outturn	Slippage	(Underspend)/ Overspend	Total Variance
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
69	Childcare	850	0	0	0	0	850	850	0	0	0
	Total Flying Start	3,400	3,070	0	0	0	6,470	6,470	0	0	0
	Total Communities & Housing	11,859	8,658	(3,755)	0	664	17,426	13,894	(3,227)	(305)	(3,532)
<u>SOCIAL SERVICES</u>											
<u>Adult Services</u>											
70	Pedal Power Disability Cycling	30	0	0	0	0	30	30	0	0	0
71	Volunteer Emergency Transport Service	20	0	0	0	0	20	20	0	0	0
72	Tremorfa Day Services - Scoping Exercise	0	20	0	0	(15)	5	0	0	(5)	(5)
	Total Adult Services	50	20	0	0	(15)	55	50	0	(5)	(5)
<u>Children's Services</u>											
73	Young Persons Gateway Accommodation	(100)	248	0	0	0	148	70	(78)	0	(78)
74	Respite - Learning Disabilities Behaviour That Challenges (Ty Storrie) - Displacement	(835)	1,235	0	0	65	465	0	(465)	0	(465)
75	Residential Provision for Children - Matchfunding	250	500	0	0	0	750	0	(750)	0	(750)
76	Property Acquisition	0	1,605	0	0	1,291	2,896	2,201	(695)	0	(695)
	Total Children's Services	(685)	3,588	0	0	1,356	4,259	2,271	(1,988)	0	(1,988)
	Total Social Care	(635)	3,608	0	0	1,341	4,314	2,321	(1,988)	(5)	(1,993)
	TOTAL PEOPLE & COMMUNITIES	11,224	12,266	(3,755)	0	2,005	21,940	16,215	(5,215)	(310)	(5,525)
<u>PLANNING, TRANSPORT & ENVIRONMENT</u>											
<u>Energy Projects & Sustainability</u>											
77	Cardiff Heat Network	6,592	2,000	0	0	42	8,634	8,000	(634)	0	(634)
78	Lamby Way Solar Farm	0	0	0	0	35	35	35	0	0	0
79	One Planet Strategy Small Schemes & Matchfunding	500	597	0	0	(140)	957	772	(185)	0	(185)
	Total Energy Projects & Sustainability	7,092	2,597	0	0	(63)	9,626	8,807	(819)	0	(819)
<u>Bereavement & Registration Services</u>											
80	Asset Renewal Buildings	0	0	0	0	0	0	0	0	0	0
81	Bereavement Asset Renewal	135	22	0	0	0	157	144	(13)	0	(13)
82	Bereavement IT System	0	0	0	99	0	99	99	0	0	0
	Total Bereavement & Registration Services	135	22	0	99	0	256	243	(13)	0	(13)
<u>Highway Infrastructure</u>											
83	Highway Resurfacing	5,948	(761)	0	0	0	5,187	4,587	(600)	0	(600)
84	Footpaths	1,854	0	0	0	0	1,854	1,854	0	0	0
85	Footway Improvements Around Highway Trees	128	0	0	0	0	128	128	0	0	0
86	Bridges & Structures	225	911	0	0	45	1,181	700	(481)	0	(481)
87	Street Lighting Renewals	100	1,013	0	0	0	1,113	213	(900)	0	(900)
88	LED Lighting Residential	1,100	(373)	0	0	0	727	727	0	0	0
89	Coastal Erosion Scheme Rover Way to Lamby Way	4,804	4,196	0	0	0	9,000	2,000	(7,000)	0	(7,000)
90	Flood Prevention Schemes	840	458	0	0	(289)	1,009	575	(434)	0	(434)
	Total Highway Maintenance	14,999	5,444	0	0	(244)	20,199	10,784	(9,415)	0	(9,415)
<u>Traffic & Transportation</u>											
91	Asset Renewal Telematics / Butetown Tunnel	600	436	0	0	0	1,036	836	(200)	0	(200)
92	Cycling Development	1,500	470	0	0	0	1,970	970	(1,000)	0	(1,000)
93	Road Safety Schemes	335	194	0	0	0	529	529	0	0	0
94	WG Grant Matchfunding	375	466	0	0	0	841	500	(341)	0	(341)
95	WG (Local Transport Fund)	2,500	0	0	0	(596)	1,904	1,904	0	0	0
96	WG (Safe Routes in Communities)	75	0	0	0	0	75	75	0	0	0
97	WG (Active Travel Fund)	4,000	0	0	0	(614)	3,386	3,386	0	0	0

<u>DIRECTORATE & SCHEME</u>		2023-2024	2022-23	Budget	Virements	Changes &	Total	Outturn	Slippage	(Underspend)/	Total
		Programme	Slippage	Revision		New	Programme			Overspend/	Variance
		£000	£000	£000	£000	Approvals	2023-24	£000	£000	£000	£000
						£000	£000				
98	WG (20mph Core Allocation)	3,750	0	0	0	(1,709)	2,041	2,041	0	0	0
99	WG (ULEVTF)	0	0	0	0	94	94	94	0	0	0
100	WG (Bus Infrastructure Fund)	0	1,508	0	0	0	1,508	1,508	0	0	0
101	Bus Corridor Improvements	335	167	0	0	0	502	502	0	0	0
102	Cardiff West Interchange	0	201	0	0	0	201	101	(100)	0	(100)
103	Cardiff Crossrail	0	0	0	0	2,500	2,500	2,500	0	0	0
104	Metro Plus (Northern Bus Corridor)	0	0	0	0	250	250	250	0	0	0
105	City Centre Eastside and Canal Phase 1	0	2,597	0	0	0	2,597	2,597	0	0	0
106	City Centre Transport Schemes Matchfunding	250	1,162	0	0	0	1,412	1,412	0	0	0
107	City Centre Transport Impact - Enabling works	250	926	0	0	0	1,176	700	(476)	0	(476)
108	S106 Funded Schemes	680	806	(806)	0	0	680	502	(178)	0	(178)
Total Traffic & Transportation		14,650	8,933	(806)	0	(75)	22,702	20,407	(2,295)	0	(2,295)
Strategic Planning & Regulatory											
109	S106 Projects	2,388	681	(681)	0	0	2,388	476	(1,912)	0	(1,912)
110	City Centre Wayfinding and Public Realm Schemes	330	0	0	0	0	330	330	0	0	0
Total Strategic Planning & Regulatory		2,718	681	(681)	0	0	2,718	806	(1,912)	0	(1,912)
TOTAL PLANNING, TRANSPORT & ENVIRONMENT		39,594	17,677	(1,487)	99	(382)	55,501	41,047	(14,454)	0	(14,454)
RESOURCES											
Technology											
111	Modernising ICT to improve Business Processes	350	(148)	0	0	0	202	130	(72)	0	(72)
112	ICT Refresh	300	635	0	(15)	0	920	735	(185)	0	(185)
113	Local Broadband Fund - Improving Connectivity	3,000	0	0	0	0	3,000	617	(2,383)	0	(2,383)
Total Technology		3,650	487	0	(15)	0	4,122	1,482	(2,640)	0	(2,640)
Central Transport Services											
114	Vehicle Replacement - Lease or Buy	2,000	0	0	0	0	2,000	836	(1,164)	0	(1,164)
Total Central Transport Services		2,000	0	0	0	0	2,000	836	(1,164)	0	(1,164)
Corporate											
115	Contingency	200	0	0	0	(200)	0	0	0	0	0
116	Invest to Save - Small Schemes	500	0	0	(219)	(281)	0	0	0	0	0
117	City Deal Wider Investment Fund Contribution	4,000	0	0	0	0	4,000	841	(3,159)	0	(3,159)
118	Additional Match Funding for Grant Bids	1,670	0	0	0	0	1,670	0	(1,670)	0	(1,670)
119	Electric Bus and Infrastructure Grant Scheme	0	7,949	0	0	51	8,000	8,000	0	0	0
Total Corporate		6,370	7,949	0	(219)	(430)	13,670	8,841	(4,829)	0	(4,829)
TOTAL RESOURCES		12,020	8,436	0	(234)	(430)	19,792	11,159	(8,633)	0	(8,633)
TOTAL GENERAL FUND		129,526	102,226	(7,666)	0	21,351	245,437	179,308	(65,984)	(145)	(66,129)
PUBLIC HOUSING (HRA)											
120	Estate Regeneration and Stock Remodelling	2,150	(1,227)	1,227	0	0	2,150	2,150	0	0	0
121	External and Internal Improvements to buildings	15,850	(8,606)	8,606	0	0	15,850	15,850	0	0	0
122	Disabled Facilities Service	3,000	(342)	342	0	0	3,000	3,000	0	0	0
123	Housing - New Builds & Acquisitions	90,000	8,687	(8,687)	0	0	90,000	87,453	(2,547)	0	(2,547)
TOTAL PUBLIC HOUSING		111,000	(1,488)	1,488	0	0	111,000	108,453	(2,547)	0	(2,547)
TOTAL		240,526	100,738	(6,178)	0	21,351	356,437	287,761	(68,531)	(145)	(68,676)

Appendix 5 – General Fund Capital Schemes Update

In February 2023 the Council approved a new General Fund Capital Programme of £129.526 million for 2023/24 and an indicative programme to 2027/28. The budget for the General Fund has since been adjusted to £245.437 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards.

Economic Development

1. The Directorate Programme for 2023/24 is £38.447 million; with an initial variance of £19.627 million identified and largely attributable to changes in timescales for the Indoor Arena project and the Core Office strategy.

Business and Investment

2. The Council has drawn down repayable loan funding of £6.015 million from Welsh Government for the implementation of town centre regeneration schemes to bring back vacant, underutilised or redundant buildings into beneficial use. As at 31 March 2023, loans provided total £4.878 million with applications currently being reviewed for 2023/24. Two loans to the value of £1.927 million have been agreed in principal, subject to terms and conditions and timing of drawdown of loans based on work undertaken. It should be noted that all risk in respect to repayable loans remains with the Council so robust security for loans is sought.
3. Following a robust due diligence exercise, an in year approval has resulted in a budget of £120,000 being made available for Business Grants to external small and medium sized businesses (SMEs). Funded by earmarked capital receipts, a grant of £72,000 and loan of £48,000 has been provided to Jajems Technology Limited as a contribution towards equipment required to establish a new research and development facility. The facility will create new jobs and attract inward investment to the city.
4. A final business case for the delivery of an Indoor Arena was approved by Cabinet in September 2021. In July 2023, Cabinet approved the final terms of the Development Fund Agreement (DFA) and agreed an extension and variation of the Pre-Contract Service Agreement (PCSA). The signing of DFA documents remain subject to approval of the funding strategy at a future meeting of Cabinet, expected to be in Winter 2023, with enabling works on site due to commence in early 2024. As at month 6, it is forecast that circa £4.750 million is likely to be spent in 2023/24 against the original budget of £9.807 million, with the remaining balance of circa £5 million to be carried forward into 2024/25. This projected expenditure includes £1.5 million to start the multistorey car park, £2.5 million for enabling works and £750,000 for land assembly and project costs. The final business case for the multistorey car park is due to be presented to Cabinet for consideration and approval in early 2024.
5. There is also a budget of £8.850 million in 2023/24 to fund main construction works of the Indoor Arena. This expenditure is funded on an invest to save

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basis with costs recovered from annual lease income receivable from the Arena operator over the term of the lease. Enabling works are due to commence on site in early 2024, with main construction works expected to begin circa six months later once the Development and Funding Agreement is signed and has become unconditional. Accordingly, no expenditure on main construction works is therefore anticipated in 2023/24 with full slippage projected into 2024/25.

6. In respect to the International Sports Village (ISV), land acquisition and associated costs of £19.312m have been incurred between 2021/22 and 2022/23. Expenditure on land acquisition is assumed to be recovered from sales of land, with a land disposal strategy considered by Cabinet in July 2023. There is an in year budget of £1.840 million for phase 2 of the ISV for the development of leisure attractions such as the Velodrome and Closed Loop Circuit, however an update was provided to Cabinet in July 2023 outlining that due to the current financial challenges relating to rising interest rates and construction inflation, the business case for investment in the leisure attractions has not been concluded. Presentation of the full business case is therefore delayed whilst the Council continues to review the proposals to ensure they are affordable. A decision is expected from Cabinet this Winter, and pending this, expenditure of £1 million is assumed with slippage of £0.840 million.

7. The Shared Prosperity Fund (SPF) forms part of the UK Government's Levelling Up agenda and is a framework to provide £2.600 billion of both capital and revenue funding for local investment by March 2025. Cardiff Council, together with other Southeast Wales local authorities, submitted a regional investment plan to the UK Government and was awarded £278 million to invest over three years, £34.500 million of which was allocated to Cardiff. The investment programme covers three priorities: community and place, and supporting local businesses, people and skills. Funding of up to £1.353 million in total is available for capital schemes in 2023/24 and of this, £1.055 million has been allocated to deliver specific projects, providing the outcomes meet the criteria of SPF conditions and that the schemes are delivering additionality to planned Council expenditure. Of those confirmed, £250,000 has been approved to be used towards business capital grants this financial year, with applications received and scored in order for allocations to be made. A further £150,000 has been earmarked for major projects, to be identified for projects that deliver SPF outcomes as the year progresses. Of the total, £298,000 is yet to be allocated for specific projects but will be monitored throughout the year and spent in its entirety to ensure that the Council meet their obligation towards the SPF.

8. A new statue has been erected in Cardiff Bay celebrating the Rugby Codebreakers, with grant support from Welsh Government, private and public donations, as well as a £50,000 contribution from the Council. Total expenditure for 2023/24 is £138,000 including installation of the statue, plinth and interpretation, with the unveiling ceremony having taken place in July 2023.

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Parks & Green Spaces

9. The Parks Asset Renewal Infrastructure budget for 2023/24 including slippage is £446,000 and is to be used for footpath reconstruction at Grange Gardens, Waterloo Gardens, Crystal Glen and entrance improvements at Brachdy Lane and Blackweir Woodland. The bridge replacement at Hendre Lake is to begin in November with funding identified from Council earmarked reserves towards this purpose at an estimated cost of £220,000.
10. As well as completion of several projects started in the previous year, design and upgrade works for several play area sites will be undertaken using developer's obligations, where available and eligible for use, as well as Council budgets as part of a replacement programme. This includes sites such as Heol Llanishen Fach and Drovers Way including significant works to address flooding issues on the latter. This will require funding to be brought forward for this budget with any future schemes undertaken required to be managed and prioritised within existing allocated budgets.
11. A budget of £529,000 including slippage of £329,000 carried forward from previous years was allocated to improve the condition of multi-use games areas, fitness equipment, BMX tracks and skate parks across the city. All expenditure proposed in the year is towards the development of a destination skate park proposed in Llanrumney, with a tender exercise currently being prepared. Subject to the outcome of a tender exercise, works are likely to span financial years, resulting in further slippage of £379,000 at this stage.
12. Tennis Wales has approached the Council seeking to invest in 6 Council owned park tennis court sites across the city to improve the quality of the courts and to introduce their Club Spark management system. As highlighted in a Cabinet report in June 2023, a stage one application was submitted to the Lawn Tennis Association (LTA) to secure an "in principle" agreement for a funding package. Subject to due diligence and confirmation of sites as well as management and operating agreements, it is anticipated that the total level of investment will be in the region of £750,000. The Council has successfully obtained funding of £379,000 to be used towards renovation of three confirmed tennis court sites subject to terms and conditions of the grant agreement.
13. Expenditure of £45,000 has been received towards the installation of artificial cricket pitches at various sites supported by a grant from the England and Wales Cricket Trust.
14. The Green Flag Infrastructure Renewal budget is £176,000 including slippage from previous years and is allocated to support the replacement of signage and infrastructure in existing Green Flag parks. Expenditure is likely to be limited in the year pending an agreed schedule of priorities arising from the individual parks management plans.
15. In June 2021, the Flat Holm Partnership comprising Cardiff Council, the Royal Society for Protection of Birds (RSPB), Flat Holm Society and other partners secured a £1.2 million project with £645,200 National Heritage Lottery Fund

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(NHLF) grant, £200k Cardiff Council investment and additional in kind value, over a three year period ending in July 2024. Following an initial review of costs, capital works estimates are deemed significantly in excess of initial advice. The next steps are to include reviewing the scope of the project and exploring other funding sources, the impact of this meaning delay in the project pending confirmation of an updated business case.

16. Expenditure of £525,000 is forecast during 2023/24 in relation to Roath Park Dam, requiring budget of £230,000 to be brought forward from future years. Investigatory modelling works continue, focusing on the detailed design of the scheme to obtain a clearer understanding of cost implications to support a Cabinet report and a recommendation as to a way forward, subject to affordability. The risk of abortive costs will need to be considered as part of the approach.

Leisure

17. The Leisure Asset Renewal Works budget totals £216,000. This is being used to address roofing concerns following the initial construction of the flowrider facility and replacement of the mechanical ventilation system at Cardiff International White Water Centre.
18. The redevelopment of Pentwyn Leisure Centre is subject to confirmation of scope and then completion of final design to inform a tender exercise in respect to the building works and external pitches. Subject to this and approval of the business case proposed to be self-financing from existing budgets and additional revenue income, expenditure for the year is projected to be circa £200,000 meaning budget will need to be brought forward from 2024/25.

Venues and Cultural Facilities

19. Property Asset Renewal expenditure of (£70,000) for St David’s Hall includes garage roller shutter doors and the completion of the fire alarm installation. Cabinet will consider a report on the outcome of the intrusive surveys of the St David’s Hall roof in October 2023. Subject to a feasibility report and a tender exercise, the Council is also working with the New Theatre operator to address boiler upgrades. The programme will be updated in a future monitoring report with any agreed costs to be met by an Earmarked Reserve identified for such maintenance obligations.
20. Shared Prosperity Funding (SPF) of £15,000 has been allocated for supporting investment funding in existing grassroots cultural and sports venues and facilities. The funding will enable grants to be given to businesses in order that they can improve their premises and facilities. There has been no spend to date as at month 6 but full spend is projected this financial year and an update will be provided at month 9.

Property & Asset Management

21. Property Asset Renewal works for non-school buildings will continue to be developed over the year and works to date and in progress include, Norwegian Church, CCTV and lift shaft works at Cardiff Castle and Central Market alarm upgrade. Slippage of £1 million has been assumed into 2024/25 primarily due to work on the school's estate being prioritised.
22. The Community Asset Transfer budget provides up to £25,000 for improvement works to buildings being taken on by third party organisations. There are no schemes currently planned for 2023/24, so the unspent budget will continue to be reprofiled into future years for review as part of the 2024/25 budget process.
23. In line with the investment property strategy approved by Cabinet in 2016, a number of sites where the Council is the freeholder and has provided a lease will be considered for acquisition with a view to onward disposal or to benefit from regearing of sites. Expenditure in the year includes £430,000 towards the acquisition of the long leasehold investment of Unit 10 Ipswich Road and a simultaneously negotiated new lease of the acquired site to a new occupier.
24. In respect of Central Market, the Council has allocated funding over four years to invest in the fabric of the building; improving the appearance, tackling structural issues and enhancing the commercial attractiveness. The estimated expenditure in year of £102,000 is primarily professional fees. Cabinet in September 2023 considered the latest position in respect to the scheme, including financial impacts, next steps and obligations arising on the Council from any approved external funding. Subsequently a National Heritage Lottery Funding grant and Welsh Government loan and grant have been approved, allowing the next steps of detailed design and procurement to take place.
25. The Core Office Strategy has an overall allocation of £9.750 million towards smarter working, digital infrastructure and building adaptations to allow consolidation into alternative council buildings. An amount of £4.054 million has been spent by 31 March 2023, with a further estimate of £2.147 million in 2023/24. Oak House was purchased in 2020/21 initially for the relocation of the Alarm Receiving Centre (ARC). However, the cost of refurbishment of Oak House to the required standard escalated following the pandemic due to inflationary pressures and rising material and specialist equipment costs. Delivery of the project significantly exceeded the assigned budget and consequently the ARC and Telecare Services moved to County Hall in August 2023, permitting relinquishment of the lease for Willcox House. Subject to an appropriate business case, Oak House is currently being reviewed by Education and Estates as a potential provision for additional learning needs (ALN) accommodation. Drawdown of this allocation is subject to any expenditure being repaid on an invest to save basis and slippage of £2.049 million into 2024/25 is anticipated and will be reviewed as part of the budget setting process.

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26. Phase one of the City Hall mechanical and electrical components refurbishment, is subject to a tender process. Works to replace heating systems are expected to start next financial year, with initial costs being surveys and design costs. Projected expenditure during this year, subject to receipt of a final cashflow, is £500,000 of the £4.200 million budget made available from Earmarked Reserves. No funding is available for future phases which will be subject to consideration of all options as part of final business case development.
27. A virement of £135,000 has been made from the Invest to Save small schemes budget for the relocation of the Alarm Receiving Centre to County Hall and associated security. The project will form part of the reorganisation of the Council's core buildings and provide infrastructure to supplement the security services at County Hall. Full expenditure is expected in year and will be funded on an invest to save basis to be repaid over 3 years.

Harbour Authority

28. The Harbour Asset Renewal budget approved for 2023/24 is £457,000, to be spent on upgrading the board walk in various locations and water quality monitoring equipment.

Recycling Waste Management Services

29. The Capital programme for 2020/21 included an allocation of £815,000 to roll out a separate glass collection scheme. The Council's recycling strategy 2021- 2025 was the subject of consultation with feedback and a phased programme of change to improve recycling performance to be considered for approval by Cabinet. Subject to the implementation costs of the strategy over the period and availability of grant funding, this budget has been carried into 2023/24 and £290,000 is forecast to be spent as part of the new recycling strategy segregation roll out planned for February 2024.
30. The Site Infrastructure budget of £128,000 is to be used for a range of infrastructure improvements at depot and recycling sites and specifically for changes to accommodate additional vehicle parking, essential to facilitate the Recycling Strategy Segregation roll out.
31. The Materials Recycling Facility (MRF) budget of £38,000 will be used for enhancements to equipment to keep the facility operational.
32. A sum of £100,000 Council match funding was requested and approved in previous to help secure a range of Welsh Government grants such as from the Circular Economy Fund. Pending confirmation as to whether external grant funding may be available, the budget continues to be carried over into future years, to be reviewed when setting the 2024/25 capital investment programme.
33. The Welsh Government Ultra Low Emission Vehicle (ULEV) Transformation grant approval is £255,000, which will promote Electric Vehicle (EV) charging infrastructure projects in alignment with the Welsh Government's EV Charging

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Strategy. Of this award, £94,000 has been allocated to deliver charge points for public use and the balance of £161,000 will be used for charge points for Council owned vehicles at Lamby Way. A further allocation of £408,000 for continued roll out of electric charge points is available in future years.

34. A budget of £800,000 was set for the year for the Circular Economy Fund on the basis that the grant funding source would be available and subject to a bid process. This has not been confirmed and therefore assumptions of grant budget being receivable towards projects have been removed on this basis.
35. A sum of £30,000 has been allocated for the Love Where You Live scheme as part of the overall SPF grant funding which is a project to introduce new community infrastructure in order to encourage waste prevention, reuse and recycling across the city. This project forms part of the overall capital allocation and therefore full expenditure is expected in year in order that the Council meet their obligation towards the overall SPF fund.

Education and Lifelong Learning

36. The Directorate Programme for 2023/24 is £109.957 million, with a variance of £17.610 identified.

Schools - General

Asset Renewal - Buildings

37. The Council's asset renewal allocation of £7.471 million in 2023/24 was budgeted for works across the estate, including roof and boiler replacements, fire precaution works and safeguarding of lobbies. However, projected expenditure for the year is £13.073 million and £5.602 million is projected to be brought forward from future years to address the condition of the estate.

Asset Renewal – Suitability and Sufficiency

38. The projected expenditure for Suitability and Sufficiency is £44.740 million against a budget allocation for 2023/24 of £8.028 million. This has necessitated bringing forward budgets from future years in their entirety, of £14.818 million, and recognising a projected overspend of £165,000. A significant increase in Additional Learning Need (ALN) provision and distributing it more evenly across the County to meet demand, is the primary driver for these works. Other works undertaken include security and safeguarding works on boundaries and receptions across the schools' estate, as well as priority Disability Discrimination Act (DDA) adaptations. Current mitigations are being explored such as the possibility of acquiring match funding for schemes that align with Welsh Government priorities.
39. Slippage of £926,000 has been brought forward from 2022/23 to enable kitchen improvements to facilitate the introduction of universal free school meals across Cardiff.

Schools Organisation Plan – 21st Century Schools

40. Band B of the 21st Century Schools Programme is underway with a funding envelope of £298 million. This is to be funded by a Welsh Government grant award with match funding from Cardiff Council at a rate determined by the type of school.
41. The Fitzalan High School scheme has a Welsh Government approved overall budget of £64.300 million. Expenditure on the project in 2023/24 is estimated to be £11.140 million and the scheme is estimated to be completed at a total cost of £67.443 million.
42. The Fairwater Campus scheme includes three schools (Cantonian, Riverbank and Woodlands) relocated onto one shared campus. A full business case has been submitted to Welsh Government in September, and expenditure to date includes surveys, professional fees and enabling works. On the proviso of a full business case being accepted, in-year costs are projected to be £14 million with an overall project cost of £150 million.
43. Linked to Band B expenditure is the projected cost connected to enabling works, linked to a site in North Cardiff, to prepare the site for future schemes linked to education at a cost of £6.5 million.

People & Communities

44. The Directorate Programme for 2023/24 is £21.740 million with a variance of £5.525 million identified.

Communities & Housing

Neighbourhood Regeneration

45. The Neighbourhood Renewal Schemes (NRS) budget is £622,000 including a £100,000, Shared Prosperity Fund (SPF) grant allocation. A provision of £200,000 from the Financial Resilience Mechanism has been removed as at month 6 as part of the overall revenue savings although opportunities will be explored in future years to either reinstate the sum or increase the borrowing allocation so as to deliver all schemes within the NRS Strategy. Expenditure projected for the year is £402,000, allowing completion of environmental improvements at Louisa Place and Llanishen Park. Planned expenditure on a new programme will be dependent on design and consultation processes and these schemes include, Llanrumney play area, Splott Park, Clare Gardens, Maria Street and Insole Court shops. Slippage of £220,000 is assumed at this stage.
46. A budget allocation was requested and approved in 2021/22 towards District and Local Centres. Due to availability of grant funding, budgets continue to be carried forward, with £233,000 slipped into the current financial year together with an approved allocation in the year of £40,000 from the Social Prosperity Fund grant. Due to the need to design future priorities, only the

grant element of the budget is expected to be utilised during the financial year.

47. During 2022/23, expenditure exceeded the budget allocated for alleygating in that year due to increased contractor prices within the framework. When setting the 2023/24 budget, the forecast for expenditure on this scheme was limited due to delays in previous years in respect to legal and consultation requirements. However, a programme of locations has now been approved and schemes are due to have been completed by the end of the calendar year, with forecast expenditure of £135,000. This requires budget to be brought forward from future years, with any expenditure across the programme to be managed within the overall budget made available. As a result, there will be a need to review the number of alleygating schemes that can realistically be completed within approved budget frameworks and/or additional funding may need to be obtained from external sources. It should also be noted that once the gates are installed, any ongoing management and maintenance costs will need to be funded from the revenue budgets.
48. There is budget of £435,000 for Transforming Towns (Placemaking) whereby priorities are identified across the city as part of the placemaking plans for priority areas. Expenditure for the year is projected to be £120,000 with £117,000 to be spent on the former Transport Club and £3,000 to be spent on Tudor Street artwork. Additional projects are currently being scoped and designed but may result in an underspend of grant.
49. Rhiwbina Hub refurbishment was completed in 2022/23 and a balance of £30,000 has been paid in 2023/24 for the final retention payment on the construction contract.
50. Following the land appropriation of the Canton Community Centre and car park site to the Housing Revenue Account (HRA) agreed by Cabinet in March 2023, £1.100 million, deemed to be the value of the site, is to be re-invested in a new community facility as part of the new housing development. This will be spread over the term of the development, with costs estimated to be £250,000 during 2023/24.
51. The Council budget remaining to develop a Multi-Agency City Centre Youth Hub totals £2.019 million over a number of years. Further design and survey costs are being undertaken to support a review of alternative options and sites by Cabinet to deliver a viable project. Expenditure of £92,000 is assumed to take place in the year and subject to the agreed approach, there remains a risk of abortive costs.
52. Shared Prosperity Funding (SPF) of £20,000 is to be used towards refurbishment of historic, complex buildings for community use. Full expenditure is expected in year for feasibility work on a grade II listed building at the Parade to potentially be used as a city centre youth hub.
53. An allocation of £70,000 SPF is also to be used to support a community small capital scheme grant. The successful applicants have been determined following an application and assessment process. Grant awards will be

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limited to amounts available to the Council and paid only after confirmation of any match funding committed. Post grant assessment will be undertaken as part of the grant terms and conditions to ensure that the benefits, as outlined in bidding for such funds, are crystallised including impact on the existing and new users benefiting from the investment.

54. A vacant site on Cowbridge Road West, enjoys a prominent road frontage and is considered an important gateway site into the city and two neighbouring wards. The Council aims to secure land to determine regeneration opportunities via a youth community-based facility. This is subject to a business case, working with external partners and a future business case to Cabinet having considered all options. There is no projected spend for 2023/24 and therefore slippage of £76,000 is carried forward into 2024/25.

Housing (General Fund)

55. The Disabled Facilities Service budget for mandatory and discretionary grants to housing owner-occupiers as well as for administration costs for the grants is £4.725 million. Whilst there are additional pressures in demand, changes in regulations and costs, expenditure is to be managed within the existing budget available.

56. As well as the above, an Enable Grant totalling £654,535 has been awarded by Welsh Government and will be utilised to deliver additional adaptations to help older, disabled, and vulnerable people by, accelerating discharge from hospital to a safe and comfortable home, reducing delayed transfers of care and improving the individual's ability to maintain independence at home.

57. The Council approved a budget of £5 million on a self-financing basis, to develop an independent wellbeing hub. At the end of 2021/22, a grant was received from Welsh Government of £1.101 million to support independent living solutions and allocated for this purpose as well. Following an options appraisal exercise, the preferred option is to build a bespoke equipment store, wellbeing hub and associated facilities such as a smart house. However, with costs significantly in excess of budget, this is subject to review of costing, due diligence, and approval of external partners in line with their own processes and the Joint Agreement, as well as agreed contributions towards costs. Opportunities for external funding are also being sought with recommendations for a way forward then to be considered by Cabinet as part of the affordability and outcomes of the scheme.

58. A cabinet report of 23 March 2023 considered the approach to deliver a mixed tenure energy efficiency retrofit scheme to unimproved British Iron and Steel Federation (BISF) properties in Llandaff North and Rumney. This was following notification of a capital grant award of £4.650 million to be used towards owner occupier properties and to be spent by 31 March 2025. The approach and outcome of tender exercises are to be discussed with Welsh Government prior to proceeding with any project and managing costs within funding available and at this stage, expenditure of £100,000 is assumed during 2023/24.

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59. The Council has received confirmation of two successful grant applications from Welsh Government for the prevention of Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) totalling £602,000 to be utilised by the end of March 2024. Expenditure will include an update of community alarms to ensure contact with the emergency control room as well as the acquisition and refurbishment of two additional properties, which are yet to be identified.
60. Following initial design, ground condition and design works, the extent of any expansion to the Shirenewton Traveller site has been reviewed with further design works in progress. Additional costs of £62,000 are expected during this year with risk of abortive costs, prior to any confirmation of costs and Welsh Government grant approval towards the costs of the project.
61. A budget of £323,000 is in place for owner occupier costs towards housing estate improvement schemes and expenditure is projected to be £103,000, including works at Caerwent Road and Trowbridge Green, subject to their progress on site, specification and affordability within overall budgets. Slippage of £220,000 into 2024/25 is assumed.

Flying Start

62. The budget for Flying Start Capital schemes for the year totals £2.570 million. This comprises of ongoing projects from previous years in relation to allocations for furniture and ICT at five nursery sites across Cardiff, alongside schemes to fund ventilation upgrades, canopies, replacement boilers and refurbishment across 19 sites. Work is ongoing at Moorland Primary School, and grant allocation of £3.050 million will be utilised in funding the project to increase sufficiency of placements in the primary school.

Childcare Capital Grant

63. Expenditure of £850,000 relates to grants provided to nurseries as part of additional funding awarded by Welsh Government.

Social Services

Adult Services

64. Shared Prosperity Funding of £50,000 has been allocated for two projects within Adult Services. Firstly £30,000 has been earmarked for Pedal Power Disability Cycling in order to provide people with learning difficulties, physical impairments, autism and dementia with opportunities to cycle in an inclusive and accessible environment. The funding will also be used to actively encourage cycling in order to improve fitness and wellbeing whilst promoting skills enhancements and independence. Secondly, £20,000 has been allocated for a Volunteer Emergency Transport Service to provide opportunities for individuals or groups of elderly people who are unable to use public transport so that they can access community facilities such as lunch

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clubs and day services or go for day trips which will in turn help to reduce social isolation.

Children's Services

65. The Young Persons Gateway Accommodation scheme aims to convert properties to include an office/sleep in accommodation on site, to provide supported accommodation for young people (16-18 years) to help them live independently whilst still providing intensive 24-hour support. A framework agreement is currently in progress allowing the Council to access additional properties and the budget for 2023/24 is £148,000 with projected expenditure of £70,000 which will be repaid on an invest to save basis. As at month 6, four housing association properties have been sourced with refurbishment costs shared between the association and the Council and a further Council owned property has also been identified.
66. Design work and scoping for the expansion of lower-level short break provision and improvements to respite accommodation at Ty Storrie for Children and Young People with learning disabilities and behaviour challenges are currently being undertaken. The Council has allocated £2.885 million over a number of years to support a viable project, with £65,000 Intermediate Care Fund (ICF) grant also available towards the scheme. Slippage in the year is assumed to be £465,000. The development of a feasibility study is being met by Intermediate Regional Care Fund Grant.
67. As part of the Right Home, Right Support Children Looked After Commissioning Strategy (2019-2022) and the Children's Services Accommodation Strategy, a number of properties were proposed to be acquired refurbished where necessary. Options to be considered included open market purchase, new build as well as re-purposing and upgrading existing Council assets and a sum of £750,000 was allocated by the Council in year as match funding towards grant bids and repayable from service and financial efficiency gains. At month 6, full slippage is assumed, subject to legal completion and success or otherwise of grant applications.
68. As at month 6, there have been 8 properties either purchased or appropriated for use by Children's Services to cover mainstream residential provision, emergency provision and emotional wellbeing services. Five such properties are now ready and being utilised for children and a further property has works on site for refurbishment. The remaining 2 properties are due to have work start imminently and a recent purchase in the Canton area will also secure the future of the adolescent resource centre. The total value of these current commitments is circa £2.2 million, with funding from Welsh Government Housing with Care Fund (HCF) grant and Intermediate Care Fund grant displacement in previous years. As at month 6, slippage of £695,000 displaced ICF funds will roll into 2024/25 to be used for future acquisitions related to specialist accommodation for children. Subject to the timing of legal completions of property and the grant bidding process, further updates will be included in future monitoring reports. As part of the commissioning strategy, it remains essential that post project appraisal of the positive financial and

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service outcomes are monitored to input into future schemes as well an assessment of the impact of the strategy.

Planning, Transport & Environment

69. The Directorate Programme for 2023/24 is £55.501 million with a variance of £14.454 million identified.

Energy Projects & Sustainability

70. In May 2019, the Council entered into an agreement to obtain grant funding of £6.628 million for phase one of the Cardiff Heat Network project from the Department of Business, Energy and Industrial Strategy (BEIS) and this was awarded in March 2021. A further £8.634 million interest free Salix loan has also been agreed between the Council and Welsh Government and this will be passed on to Cardiff Heat Network (CHN) Limited, a special purpose vehicle created with the Council as sole shareholder. In any event that CHN is unable to repay the loan, the risks remain with the Council and therefore it is essential that check points are in place to ensure continued affordability as any loan is given. As at month six, £4 million has been drawn down, with a further £4 million loan to be provided at the end of the calendar year.

71. The One Planet Cardiff Strategy is a strategic response to the climate emergency and includes a range of actions which together, form the basis of a delivery plan to achieve carbon neutrality across the city. The allocation for 2023/24 is £957,000 including slippage of £597,000. As at month 6, slippage of £185,000 is assumed in respect to projects that may no longer be proceeding or which relate to buildings where further design and surveys are required. Projects approved include installation of recycling infrastructure, carbon zero carriageway surfacing, Bute Park Nursery rainwater collection and a healthy playground programme across Cardiff schools.

Bereavement & Registration Services

72. The segregated capital asset renewal allocation for bereavement services totals £157,000 for 2023/24, including £22,000 of slippage from 2022/23. Expenditure in year is forecast to be £144,000 with slippage of £13,000 into 2024/25. Included within the expenditure is a dumper truck (£19,000) and electric ride on mower (£25,000) as well as £65,000 for tarmac and paving block works at Thornhill cemetery. There is also work scheduled for the two chapels at Thornhill Crematorium including works to the cremators and catafalque upgrades.

73. A budget of £99,000 has also been created to replace the current Burial and Cremation Administration System (BACAS), a specialist IT package managing bookings and records in relation to cremations, burial and grave ownerships. The current system is built on outdated server software which will become unsupported by October 2023 and therefore a new system is urgently required to ensure that legal and operational requirements can be met by the Service Area. The budget includes a £15,000 contribution from

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the overall ICT Refresh budget and expenditure will be funded on an invest to save basis and repaid over 7 years.

Highway Maintenance

74. The approach to carriageway and footway maintenance adopts numerous repair and improvement treatments including localised patching, preventative and preservation treatments, resurfacing and reconstruction. In combination and when applied at the correct time they can minimise the whole life cost of maintenance whilst maximising the benefit of available budgets across the highway network. The budget available for treatments in 2023/24 is £7.169 million. Of this budget, £338,000 has been segregated for works primarily within the city centre and a prioritised listing of capital works to be undertaken is to be determined. Where this is done, any works should have regard to the overall asset management plan. In March 2023, Cabinet considered the status of the Highway Asset Management Plan. It noted that the report will inform Cabinet's recommendations to Council for the Revenue and Capital budgets for 2024/25 and Medium-Term budget setting process and approved the release of £2 million identified in the 2023/24 budget for carriageway works. Slippage of £600,000 is assumed in respect of safety fencing to ensure alignment with electrical upgrade works on the A48 carriageway.

75. The bridges and structures budget for the year is £1.181 million and includes slippage from previous years. Works planned over multiple years include River Rhymney bridge, Fairwater and Llandennis Road culverts, North Road flyover and Cathedral Bridge refurbishment. Expenditure planned for the strengthening of a retaining wall at 599 Newport Road has been delayed due to the requirement to reconsider the strengthening approach to be consistent with any development on adjacent land. A number of projects in respect to bridge joints, culverts and the outcome of works recommended from principal are primarily at design stage and subject to a construction tender exercise. Accordingly, slippage of £481,000 is assumed.

76. The street lighting renewals budget is used for new and replacement columns, however in the short term, enhanced budget allocations have been made available to address electrical works on Eastern Avenue. Implementation continues to be delayed, with the design still in progress and now to be combined with works to upgrade the central reservation to ensure better value. A tender exercise remains to be undertaken and pending this, slippage of £900,000 into 2024/25 is currently assumed.

77. Cabinet approved in May 2019, a £5.200 million invest to save business case for all remaining residential columns to be converted to LED. The project had been delayed due to internal capacity as well as restricted supply of lanterns resulting from shortages of semi-conductor components, however it is to be completed by December 2023, with projected expenditure of £727,000.

78. As part of the Welsh Government Flood and Coastal Risk Management Programme (CRMP), a scheme has been developed to improve the flood defences at the foreshore along Rover Way. The scheme was subject to a

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further Cabinet report setting out scope, risks, mitigations and procurement process to be undertaken. A construction contract has been awarded with initial ground investigations to take place. The estimated total cost of the scheme is £35.937 million including professional fees and a risk allowance. It should be noted that this excludes works in respect to the Lamby Way Landfill Site. The funding approach to the Coastal Risk Management Programme is that 85% of the total cost is to be funded by Welsh Government (WG), with 15% to be identified by the Council. The Welsh Government funding approach is not a cash grant towards the expenditure, but to reimburse the Council for the costs of servicing borrowing that would need to be taken by the Council, over a period of twenty-five years. In 2023/24 this is a specific revenue grant, but from 2024/25 will be part of the annual Revenue Support Grant (RSG). The WG will provide no additional funding in the event of costs exceeding the above, so robust contract management will need to be in place to manage the outcomes and costs of the scheme. Although works will commence on site, much of this will be enabling works, including investigations and set-up. It is a multiple year construction scheme with more significant spend forecast in future years. Subject to this, slippage of £7 million is currently assumed.

79. A sum of £458,000 Council match funding has been allocated towards the implementation of flood prevention measures together with Welsh Government grant funding of £551,000 expected to be utilised in the year. This is for small scale and post storm schemes with only £24,000 match funding likely to be utilised this year, and the balance to be carried forward as slippage.

Traffic & Transportation

80. The asset renewal telematics budget, including slippage, is £1,036 million and will be used for the replacement of obsolete analogue CCTV cameras at various locations with high-definition digital cameras, to replace obsolete electronic signage and the lane control systems for North Road and Butetown Tunnel. Subject to the timing of installation of equipment, slippage of £200,000 is assumed.

81. The total Council budget for cycling development in 2023/24, including slippage from the prior year, is £1.970 million. This will be used as well as Welsh Government grant funded schemes for primary cycleways and slippage of £1 million is assumed at this stage.

82. The Council Road Safety Schemes budget of £529,000 together with a sum of £841,000 Council match funding, will secure a range of grants where match funding is required. This includes schemes for local transport, safe routes in communities and road safety as described below. Slippage of £341,000 is currently projected in year, however this may increase where there is a requirement to ensure that grant funding is utilised first.

83. The Welsh Government revised allocation to Cardiff for the Local Transport Fund is £1.904 million and supports development of integrated, accessible, and sustainable transport systems. Schemes bid for and approved include

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£1.006 million towards improving sustainable transport and active travel measures in the city centre, and £606,000 towards the A4119 strategic bus corridor scheme phase 2D with the balance to be used for bus stop enhancements, including real time information display.

84. The Welsh Government allocation to Cardiff for Safe Routes in Communities Grant of £75,000 aims to improve accessibility and encourage walking and cycling in communities. The allocation is for the School Streets scheme, part of a wider programme working with schools to increase the use of active modes of travel for school journeys, through targeted interventions and behaviour change support to improve safety outside school gates.
85. The Welsh Government allocation to Cardiff for Active Travel is £3.386 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 Cycleway 2 - Newport Road Transport Corridor Link A (£408,000), active travel to schools (£711,000), Roath Park Cycleway (£787,000) and various improvements to the integrated cycle network plan (£1.480 million).
86. A Welsh Government grant allocation of £2.041 million was awarded for the roll out of a 20mph default speed limit on restricted roads across Wales which came into force in September 2023.
87. The Welsh Government Ultra Low Emission Vehicle Transformation (ULEVT) grant approval is £255,000, which will promote electric vehicle (EV) charging infrastructure projects in alignment with the Welsh Government's EV Charging Strategy. Of this, £94,000 has been allocated to deliver charge points for public use and the balance of £161,000 will be used for charge points for Council owned vehicles at Lamby Way. There is expected to be further provision of £408,000 for electric charge points available in future years.
88. Slippage of £1.508 million was carried into 2023/24 in respect of a Welsh Government Grant to undertake bus stop infrastructure improvements including real time information systems. Delays with a new Transport for Wales (TfW) framework resulted in very little expenditure last financial year, however, the contract for an initial phase was awarded in March 2023, with further grant expected in 2024/25 to continue rollout.
89. The Council Bus Corridor enhancements budget of £502,0000 will be used for match funding towards the Welsh Government Local Transport improvement scheme (A4119 Corridor Phase 2D) and to partially fund Eastern Corridor (CW2 Newport Road).
90. Budget of £201,000 is carried forward from 2022/23 towards development of the bus transport interchange on the site of the former recycling site at Waungron Road, which is proposed to be delivered in parallel with a housing scheme. The start on site, subject to tender is anticipated in the new calendar year. and pending this, slippage of £100,000 is assumed.

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91. Following approval of the Levelling Up Fund Cardiff Crossrail Phase One bid, further discussions have taken place with the UK Government to progress the scheme. As outlined in the Cabinet report of March 2023, a Full Business Case is required to unlock the full £50 million funding of the scheme in addition to the £50 million to be provided by Welsh Government towards the scheme. Up to 10% of the Levelling up allocation can be used to develop the scheme and in 2023/24 costs of circa £2.500 million are anticipated. This includes an update of the outline business case and confirmation of final business case, which is being informed by highway and rail design and survey work, the latter being undertaken on behalf of the Council by Transport for Wales as part of established governance arrangements.
92. The next stage of the Northern Bus Corridor will focus on completing the outline business case WelTAG 2 for the scheme. This work will involve surveys, modelling, concept design for schemes and further work on the installation of technological survey and bus priority measures following engagement work with key stakeholders and bus operators.
93. In April 2023, Cabinet considered a report on delivering a permanent improvement in air quality on Castle Street in the context of citywide sustainable transport proposals. Any detailed design and implementation will be subject to Welsh Government confirmation of grant funding to meet estimated costs of the scheme. Accordingly, no budget is included in the current capital programme, but will be subject to further updates as the year progresses.
94. Following completion of works at Wood Street and Central Square, the first phase of the Canal Quarter regeneration scheme and road traffic infrastructure works scheme remains on site. The former is expected to open on a phased basis from the Autumn of 2023, with the Transport elements to be completed in the last quarter of the financial year. Following finalisation of all design packages and other unforeseen costs, the overall construction contract is estimated to cost approximately £11 million, with the overall total cost including professional fees being approximately £13 million. The balance of Council capital funding allocated towards the canal element of the scheme of £1.767 million will be used to pay towards costs in the year, with the balance assumed from external grant funding applications to Welsh Government Capital Cardiff City Deal. The ongoing risks of cost variations and resources available for the project will need to be managed closely as the project continues to ensure this can be managed within the overall funding available to the directorate. This may impact adversely on other planned projects, where this may be the case.
95. To mitigate against the impact of the City Centre works in neighbouring areas, the Council has allocated a sum of £4 million and including slippage, the amount allocated in 2023/24 is £1.176 million. This will support the completion projects such as Tudor Street transport and green infrastructure and improvements and mitigations at Pendyris Street and Clare Road junction.

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Strategic Planning and Regulatory

96. A sum of £330,000 has been allocated from the Shared Prosperity Fund towards the city centre public realm and wayfinding strategy. The former includes expenditure on the city centre canal project and the latter includes the replacement of all existing fingerposts and tourist information panels within the city centre with new static and digital infrastructure. This wayfinding scheme provides opportunities to improve bilingual signage and will coincide with the opening of the new transport interchange. Full expenditure is expected for the financial year in order to utilise the grant.

Resources

97. The Directorate Programme for 2023/24 is £19.792 million with a variance of £8.633 million identified.

Technology

98. The Modernising ICT budget aims to support digitisation of business processes. The estimated costs of £130,000 during the year relate to projects to secure robotic process automation.

99. A total of £920,000 is available for ICT Refresh schemes this year, including £635,000 of slippage from 2022/23 and a virement of £15,000 to Bereavement as a contribution towards replacing a dated system to manage bookings, burial and cremation records. Subject to delivery of equipment, expenditure of £735,000 is projected in year with projects including switch replacements (£200,000) and updates to the servers (£290,000). This budget also covers a range of projects to support ICT resilience, capacity and capability including direct access and hardware replacement. Slippage of £185,000 is projected into 2024/25.

100. Following a successful application process, funding of £7.700 million has been awarded to the Council under the Welsh Government's Local Broadband Fund in relation to Cardiff – Y Rhai Olaf – The Last Ones. The funding, which spans three financial years from 2022/23 until 2024/25, is to be used to improve broadband connectivity across the city. Expenditure of £13,000 took place on scheme development in 2022/23, with planned expenditure of £617,000 during 2023/24. Whilst slippage is significant for this financial year, Welsh Government have confirmed that funding will be awarded in stages throughout 2024/25, once works have been completed, in order to mitigate against the risk of contractors falling into administration or being unable to undertake the work due to unforeseen circumstances.

Central Transport Services

101. Cabinet on 13 July 2023, approved the procurement of replacement waste collection fleet between 2023 and 2025. The value of vehicles totals circa £9.700 million, with payment on delivery. With current lead in times, delivery

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- of the first phase is likely to be in the spring of 2024, accordingly no payments are currently forecast to be made this year in respect to this procurement.
102. Planned Expenditure during the year however does include two segregated trade waste collection vehicles and two replacement co-mingled refuse collection vehicles. Based on projected expenditure, slippage of the invest to save budget of £2 million allocated in year is £1.164 million. The acquisition of vehicles using this budget will be via additional Council borrowing, with the directorate commitment to repay any acquisition costs over a 7-year period from existing revenue budgets held. To ensure the financial sustainability of this policy approach to acquisition of vehicles, any variations to this should be made in exceptional circumstances only, with the reasons and rationale for this reported by the S151 as part of budget monitoring reports to Cabinet.

Corporate

103. In respect of the contingency budget of £200,000, this is projected not to be required at this stage with commitments being managed within existing budgets.
104. The £500,000 Invest to Save budget is in place for small capital schemes identified during the year that would pay for themselves. Of this, £84,000 has been used towards the instalment of the new Bereavement ICT system and £135,000 for County Hall security systems to support the Alarm Receiving Centre. The budget will be reviewed and adjusted in future monitoring reports if schemes are approved during the year.
105. The Council's total commitment of £28.400 million over a number of years is based on its share of £120 million to the Wider Investment Fund. The budgeted drawdown for Cardiff's contribution was £4 million however recent forecasts from the region indicate drawdown is likely to be £841,000 given progress on City Deal Projects and revisions to the timing of receipt of HM Treasury grant. Significant slippage is therefore identified. The regions expenditure on capital projects during the year include the Housing Viability Gap Fund, Premises Fund, Innovation and Investment Fund, Metro Plus transport projects and Aberthaw Powerstation.
106. As part of the 2023/24 budget process, an allocation was made to support external grant bids where there was a gap arising following completion of a business case or following the outcome of tender exercises. A number of projects are still being developed and so this funding is assumed to be carried forward into 2024/25 at this stage.
107. Following an assessment process, a total grant of £8 million has been awarded to expand electric bus fleet use in the city. Grant of £2.470 million has been paid to date as a deposit for new vehicles, with the balance payable by the end of the financial year, subject to completion and delivery of the vehicles and charging infrastructure.

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Section 106 Schemes and Other Contributions

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 a revised projection as at month 6:

	Budget	Projection at Month 6	Variance
	£000	£000	£000
Parks & Green Spaces	1,655	1,087	(568)
Traffic & Transportation	680	502	(178)
Strategic Planning & Regulatory	2,388	437	(1,951)
Neighbourhood Regeneration	750	18	(732)
Economic Development	118	0	(118)
Education & Lifelong Learning	2,101	4,101	2,000
Public Housing (HRA)	3,525	2,687	(838)
Total	11,217	8,832	(2,385)

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, Craiglee Drive and Blackweir woodland footpath improvements, Cogan Gardens, Tatham Road public open space, University Lawn - Cathays 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 – Includes a sum of £350,000 paid towards the completion of paving works by Welsh Government at Central Square, which was best deemed undertaken as part of the development of the Interchange. Further enhancements in respect of Central Square public realm assumed to be completed in 2024/25.
- Neighbourhood Regeneration – Improvements and grants towards community facilities.
- Education & Lifelong Learning – Additional use of contributions in year towards various school projects where in accordance with the agreements.
- Public Housing – Development of new Council housing.

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CABINET MEETING: 23 NOVEMBER 2023

INDOOR ARENA FUNDING STRATEGY

**INVESTMENT & DEVELOPMENT (CLLR RUSSELL GOODWAY) &
FINANCE, MODERNISATION & PERFORMANCE (CLLR CHRIS WEAVER)**

AGENDA ITEM: 3

Appendices 1 and 2 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 and 16 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To consider the Funding Strategy for the new Indoor Arena project
2. Seek authority to enter into and execute the DFA suite of legal agreements previously approved by Cabinet in July 2023 (subject to approval of funding strategy)

Background

3. Delivering a new Indoor Arena remains a key strategic regeneration priority for the Council, supporting a number of Corporate Plan commitments, Council priorities and strategies, including:
 - Attracting more visitors to the city that stay longer.
 - Supporting growth in the local economy and creating jobs
 - Supporting the next phase regeneration of Cardiff Bay
 - Eliminating poverty and promoting equality
 - Promoting culture and creativity
 - Supporting the Cardiff Music Strategy
4. The Arena project will provide a substantial number of new jobs, both through the construction phase, and through its long-term operation. The Arena will be located in close proximity to many of Cardiff's most disadvantaged communities. Through the procurement process to appoint an operator/developer consortium to deliver the new Indoor Arena, the Council has secured a number of local community benefits as outlined in previous Cabinet reports (November 2020).
5. In July 2019, Cabinet gave authority to commence a public procurement process to secure a developer/operator consortium to deliver an Indoor Arena at Atlantic Wharf,

Butetown with a minimum capacity of 15,000 as part of a wider regeneration strategy for Cardiff Bay. The Council subsequently launched a competitive tendering exercise in August 2019.

6. In November 2020, Cabinet approved the appointment of the Live Nation consortium as the Preferred Bidder in the procurement process to deliver a new Indoor Arena in Butetown, Cardiff Bay. At the same meeting Cabinet gave authority for the Council to enter into a Pre-Contract Service Agreement (PCSA) which included the under-writing of costs up to an agreed cap to enable the Preferred Bidder to develop detailed designs. Cabinet authority was also provided to progress a Land Strategy to ensure the Council secures full control of all land required to deliver the project.
7. In September 2021, Cabinet approved a Full Business Case for the delivery and operation of a new Indoor Arena and delegated authority to enter into the various legal arrangements.
8. In March 2022, outline planning permission was granted for the Atlantic Wharf site alongside detailed permission for the new Indoor Arena.
9. In March 2023, Cabinet considered a progress report on the Atlantic Wharf regeneration scheme and approved the extension of the Pre-Contract Service Agreement (PCSA) for the Arena, as well as an Interim Business Case for the associated Multi-Storey Car Park.
10. In July 2023, Cabinet approved an extension and variation to the Pre-Contract Service Agreement (PCSA) for the delivery of the new Indoor Arena. At the same meeting Cabinet approved the Development and Funding Agreement (DFA) as well as any further deeds and documents ancillary to the legal documents approved, with entry into the DFA remaining subject to approval of the funding strategy at a future meeting of Cabinet. This report focusses on that proposed Funding Strategy to enable entry into the previously approved DFA suite of legal agreements.
11. The pause in entering the DFA provided the Council with further time to review and agree a financial strategy to mitigate the current interest rate uncertainty. Whilst Treasury Management Activities are delegated to S151 Officer, it is important to bring a specific report on this significant Council project to highlight the proposed approach and principles to manage finance resilience and risk as part of a sustainable budget framework.

Issues

12. As previously reported to Cabinet, inflationary pressures have pushed the cost of the new Indoor Arena from the projected figure of £180m to close to £280m. The Council's financial exposure/liability (established via a financial envelope as part of the original public procurement process) is capped and therefore the Live Nation consortium has had to take full responsibility for these additional costs.
13. The Live Nation consortium has successfully worked to reduce the level of cost increase through a review of the Arena design and reconsideration of site infrastructure requirements. The design has now been developed to RIBA Stage 3, including cost plans, which indicate that the scheme is now within the Live Nation

consortium's revised affordability envelope, and importantly without any additional financial contributions from the Council. However, the redesign has caused an unavoidable delay to the programme, with the intention now to commence with an advance works package in early 2024, with the main works starting in Summer 2024, subject to entering into the DFA.

14. Whilst the level of Council funding for the project has remained unchanged, these unavoidable delays in delivery have coincided with a significant increase in the Council's cost of borrowing over the last 12-18 months. This increase in borrowing rates has caused financial challenges as the cost of funding the Arena has increased, reducing the gap between income received by the Council and debt repayments required over the whole term of the Arena lease, and generating cashflow and accounting challenges in managing the Council's short term financial position.
15. As such, the Council deferred a decision from July 2023 to allow sufficient time to work on and agree a suitable funding strategy that will help manage the Council's short-term position, whilst allowing a longer-term strategy to be entered into when interest rates become more favourable. Details of the Council's revised funding strategy are set out within this report, as well as in more detail within **Confidential Appendix 2**.

LINK Report Summary

16. The Council's Treasury Advisors (LINK) have produced a report which is attached at Confidential Appendix. This report sets out:
 - **Economic & Interest Rate Outlook** - Link Group analysis on current economic conditions, including a forecast on interest rates between now and December 2026.
 - **Authority's Current Capital Financing Requirement**
 - **Borrowing Policy and Options Available** (including pros and cons of each mechanism for borrowing). Proposed Funding Strategy focuses on best options identified within this section of LINK report.
 - **Accounting and Statutory Issues to Consider** – This includes options re capitalisation of interest and timing of application of MRP (Minimum Revenue Provision) to revenue budgets.
 - **Financial Modelling of Scenarios** (before any Council mitigations are considered).

Note that the LINK report attached at **Confidential Appendix 1** focusses on financial scenarios prior to any Council mitigations being applied. **Confidential Appendix 2** then translates this into what the LINK report means for the Council, looks at any additional budget requirements as well as detailing further mitigating measures to enable delivery of the Arena in a sustainable and affordable manner.

Economic & Interest Rate Outlook

17. LINK Group analysis indicates that whilst Bank of England and PWLB rates may be high at the moment, they are likely at, or very close to, their peak. This is based on the interest rate forecast and projection for gilt yields over the coming years on

forecasts from LINK, Capital Economics, and a general market consensus from Bloomberg. The clear trajectory from LINK rate forecasts seems to be an expectation rates will follow a downward trend over the coming months / years, with report attached at **Confidential Appendix 1** stating:

“Both Capital Economics and Link forecast gilt yields to fall in the years ahead as inflation is forecast to come down meaning gilt yields will follow the path down in rates. Capital Economics forecast the 25-year Public Works Loan Board (PWLB) rate to be 4.10% ending March 2026 (latest forecast point) and Link forecast it to be 3.8% ending December 2026 (at time of report in October 2023 PWLB rates are circa 5.5%). Historical data from the PWLB shows the 25-year PWLB rate has averaged c3.9% since 1994 to 2023 which is very close to the Capital Economics and Link forecast over the next few years. Naturally, there is upside risks to the forecast in the near term, especially if inflation does not come down meaning Bank Rate is left higher than anticipated, leading to higher near-term gilt yields and in turn PWLB rates.”

18. For this reason, whilst locking in to long-term borrowing at the same time as signing the DFA brings some benefit to the Council in terms of greater financial certainty (Council fixes borrowing costs at same time as locking in Arena income by signing DFA), based on the available market evidence it no longer seems a logical choice for the Council to lock into a fixed rate of interest for the significant long-term borrowing required to deliver the Arena when current market analysis strongly indicates that interest rates are currently at or near their peak.
19. Whilst entering into the Arena DFA without a fixed cost of borrowing does represent a risk to the Council as interest rates are unlikely to exactly follow the LINK forecasted rates set out in **Confidential Appendix 1**, and could move at faster or slower pace, or even not follow a downward trajectory at all, this is deemed to be a calculated risk as it is widely accepted based on current market analysis that interest rates are likely to fall in the medium term (2-3 years).

Proposed Funding Strategy

20. The current economic environment remains uncertain and therefore risk mitigation measures are essential for any funding strategy the Council puts in place. At current interest rate levels, the current financial model forecasts remain a risk, particularly if interest rates continue to stay higher for longer than market experts are currently forecasting, so mitigations are essential. There will always be economic uncertainty on key variables such as inflation over the term of the project (46 years) but prudence, affordability and sustainability requires Council to ensure these risks are identified and managed at the start of the project, rather than many years in the future, and that is what the Council's financial strategy, and the key principles laid out within this report, is seeking to achieve.
21. The proposed funding strategy is to focus on temporary borrowing arrangements during the three year construction phase of the Arena whilst the Council continues to monitor the interest rate market, with a view to entering into a more long-term borrowing arrangement at a fixed interest rate either a) once Arena is open and operational, or b) at such a time when the s151 officer, in their professional

judgement, and after considering the latest treasury management advice, concludes entering into long-term funding arrangements is most appropriate and affordable for the Council.

22. This strategy is different to previous options considered in that it would mean the Council carrying interest rate risk after signing the Arena DFA. However, a balance is required between certainty of rates and affordability if the Arena Affordability Envelope is to be met.
23. This long-term strategy for managing the interest rate risk prior to entering the DFA offers a potentially affordable pathway for delivery of the Arena. However, clearly there remain risks associated with this financial strategy, as with delivery of any project of this complexity and magnitude. For these reasons it is important that contingencies are identified within budgets or earmarked reserves that can be utilised if required to deal with any potential deviations from the forecasted business case e.g., if interest rates do not fall as expected in coming years.

Key Principles

24. The proposed funding strategy is based on a number of key principles. These are:
 1. **Borrowing Profile** - Temporary Borrowing throughout Construction Period (3 years), with a view to entering into a more long-term borrowing arrangement at fixed interest rate either once Arena is operational (year 4 onwards), or at such a time when the s151 officer, in their professional judgement, and after considering the latest treasury management advice, concludes entering into long-term funding arrangements is appropriate and affordable for the Council.
 2. **Review/Amend Accounting Policies** – Consider reviewing and amending Council accounting policies to enable Capitalisation of Interest for significant Major Projects such as Indoor Arena, as well as allowing for a Minimum Revenue Provision (MRP) holiday for this project. This will assist the Council in matching costs to income and make delivery of the Arena more affordable and sustainable.
 3. **Reduce Debt Burden Early** - Utilise specific earmarked reserves and MTFP budgets allocated for the Arena to reduce the debt burden as far as possible in early years, particularly during construction periods where interest is being capitalised. This will need to be balanced against retention of budgets/reserves for financial resilience purposes.
 4. **Risk Mitigation** – Be proactive in taking risk mitigation measures to improve financial resilience of the Council and continue to manage the affordability risk.
 5. **Milestone reviews** – Commit to undertaking gateway reviews in respect of Arena funding annually, or at appropriate milestones, particularly in the early years until the financing model becomes smoother and risks are sufficiently reduced. This will also help to identify whether any further mitigating actions are required.

MTFP Budgets

25. A base budget provision of £1.5m is already in place to fund the annual revenue costs of borrowing associated with the Indoor Arena, with increases already factored into the Council's Medium Term Financial Plan (MTFP) for this to increase in the short-term to £2.9m during the construction phase and early years of the project (to cover initial debt repayments and interest costs). This base budget will be retained in the medium-term to assist in smoothing cashflows in the early years of the project, with the Council expected to need to incur additional costs in the short-medium term to deliver the Arena and unlock associated benefits in the longer term, both financial and non-financial. Intention is this base budget will be removed or reallocated when Arena costs and income equalise in medium-term. Whilst these budgets assist the Council in dealing with short-medium term cashflow issues, in the long-term the Arena is forecasted to be self-financing.

Council Capital Contribution to Arena

26. The Council originally budgeted £30m as the Council contribution towards the cost of delivering a new Indoor Arena. However, as set out within the November 2020 Cabinet report, and the Arena Full Business Case approved by Cabinet in September 2021, the maximum level of capital contribution required was fixed as part of the bidders' final tender submissions and was less than the original £30m budget. This capital contribution is included within the Capital Strategy approved by Cabinet in February 2023 and Full Council in March 2023 and is due to be funded by a mixture of capital receipts and borrowing.

Council Funding (Self-Financing)

27. In addition, an allowance has already been included within the Capital Strategy approved by Cabinet in February 2023 and Full Council in March 2023 to enable the Council to 'Direct Fund' the Arena construction on a self-financing basis. This will take the form of direct borrowing funded by the annual lease income from the Arena Operator and backed by a parent company guarantee. Similarly, the approved Capital Strategy also makes provision for Arena enabling works (including land assembly and Multi Storey Car Park) to be self-funded by income generated by the Multi Storey Car Park.

Arena Financial Model

28. LINK forecast for 25-year PWLB certainty rate (the rate at which the Council can borrow) is for it to be circa 5.1% by June 2024 (the point at which Council is likely to reach financial close on Arena). On this basis, prudent modelling has been done assuming a 5.5% interest rate for temporary borrowing in first year after financial close until end of construction period (3 years), with similarly prudent rates applied in years two and three of the financial model. Over the next 24 months though the trajectory is for rates to fall, with a forecast PWLB rate of circa 3.8% in June 2026. For the purposes of financial modelling, this is the long-term fixed rate of borrowing that has been assumed the Council will lock in to for business case purposes (albeit will be monitored and reviewed by the s151 officer throughout the period).

29. There are a number of key assumptions within the model. These are set out in detail in **Confidential Appendix 2**, along with a detailed set of forecasted outcomes. Based on these assumptions, and the likely profiles of spend, borrowing and income, the financial model forecasts the Arena will be self-financing over the term of the 46-year contract. However, in order to achieve long-term financial benefits, the financial model forecasts there will be a need for short-term additional funding requirements on top of the existing planned MTFP budgets, expected to be circa 4 years. This forecasted short-term additional funding requirement can likely be funded from within existing earmarked reserves.

Key Risks

30. The three key risks identified within the model are set out below, along with a series of potential mitigation measures:
1. **Interest Rate Risk (Costs)**– An inherent risk is the level of interest rate the Council borrows at to fund the Indoor Arena, and therefore the annual repayment costs of such borrowing to the Council. All borrowing costs are intended to be self-financing in the long-term from Arena Operator Rental income, and in the financial model forecast this materialises with a surplus for the Council anticipated at end of the 46-year contract. However, there remains a risk that if interest rates remain higher for longer this will negatively affect that outcome. Several mitigating measures are proposed within this report and appendices to minimise the risk to the Council. Also, in the early years of the Arena contract when borrowing costs are at their highest and Operator Income is at its lowest (Arena Rental rises annually with RPI, whereas borrowing costs don't), there is anticipated to be some short-term funding requirements for the Council to meet (where costs are higher than income). This is projected to be only a short-term issue, and mitigating measures are proposed within **Confidential Appendix 2** (*pay down debt early, use reserves and MTFP budgets to meet any shortfalls etc*) to manage these expected short-term cashflow shortfalls.
 2. **RPI Risks (Income)** – The income the Council receives from Arena Operator as rent will increase annually by between 1% and 4% (collar and cap) based Retail Prices Index (RPI) throughout the long-term contract. The Arena base financial model assumes RPI will be 2.5% flat throughout 46-year contract, and therefore that is what it is assumed annual income will rise by each year. Whilst in reality RPI will differ each year, it is felt that an average increase of 2.5% annually over a 46-year period is a prudent assumption. For context, only 4 years in past 20 has RPI been below 2.5%, with majority of years either equal to or substantially higher than 2.5% RPI. If RPI is lower than 1% in any given year, then 1% increase will apply (RPI floor). Similarly, if RPI is higher than 4% in any given year a maximum 4% increase will apply (ceiling) to Arena rental income.
 3. **Multi Storey Car Park (MSCP) Income Risk**– The MSCP business case is not due to be presented to Cabinet for consideration until early 2024, so there remains a level of uncertainty regarding levels of income to be generated here. Working assumptions include that the Council will manage the MSCP and

retain all net income, whilst current financial model assumes a build-up of demand for parking in Atlantic Wharf over the first 7 – 10 years of operation. This is linked to Arena opening, but also the potential future development and regeneration of Atlantic Wharf which would generate increasing demand for car parking. Whilst some prudent assumptions have been made in forecasting net income, a key risk remains that if the proposed Atlantic Wharf development doesn't materialise, or does materialise but at a much slower pace (takes more than 7 years) than currently proposed or anticipated, this could cause some lag in forecasted net income numbers, or in a worst case scenario never reach the income estimates that are currently included in the financial model. These decisions on Atlantic Wharf haven't been made yet, so remain a key risk to overall financial model and business case. A business case for the MSCP and the next steps for Atlantic Wharf redevelopment is due to be presented to Cabinet in the coming months. However, at present, there is a gap in robustness for the MSCP income assumptions included within the current financial model as Council do not currently have sufficient information or decisions to reliably estimate what this will be.

31. For these reasons, the Council cannot be over reliant on the current financial model forecast materialising and will need to put mitigating actions in place in case there is deviation from this scenario. Potential mitigations need to be identified and reviewed, and steps should be taken in the short term by the Council to mitigate some of risks identified. Potential mitigations could include, but are not limited to:
- Generating additional capital receipts to further pay down debt and continue to de-risk financially, which in turn will reduce annual costs of debt that need to be met from Council's revenue resources.
 - Identify additional sources of revenue income within Atlantic Wharf
 - Take opportunities to pay down Arena, MSCP and enabling works debts wherever possible, albeit striking a balance between reducing debt as early as possible and retaining some financial resilience within reserves to meet future unexpected pressures or demands.
 - Review and update Council's accounting policies to enable capitalisation of Interest and MRP holiday in specific circumstances such as a significant major project such as the Arena. This will assist the Council in matching costs to income annually to make delivery of the Arena more affordable and sustainable.
32. In making a proactive decision to approve the funding strategy and deliver the Indoor Arena, Cabinet is prioritising investment and borrowing in the Arena. This could have wider implications such as needing to constrain future borrowing or further Council investment that results in additional risk exposure on other Major Projects in the medium term (excluding where prior agreement has been given). It is therefore recommended the Council move towards more developer led solutions for Major Projects that do not rely on the Council increasing its levels of borrowing or risk exposure further until Council has greater certainty of affordability and sustainability of Arena/MSCP costs and income proposals.
33. Whilst there remain risks, particularly in relation to relative uncertainties associated with wider Atlantic Wharf developments and knock on effect this could have on MSCP

income streams, it is critical to note that the majority of the Council's initial investment is being used to support Arena construction which represents circa 80% of the overall Council investment. This element is supported by a long term, highly rated income stream (including a parent company guarantee) that will pay back this element of the investment, so should give greater confidence in relation to the overall funding strategy. The majority of funding risk is in relation to enabling works and the MSCP development and income streams, which represents a lesser proportion of overall Council investment (circa 20%).

34. If the financial model forecasts materialise, the financial implications of the project can be managed within the existing allocated Capital budgets and MTFP allocations already set within the budget. Any forecasted short-term additional funding requirements can be funded from within existing earmarked reserves and repaid from later surpluses with no additional MTFP budget allocations expected to be required. However, for prudence, a contingency budget has been identified within earmarked reserves that can be utilised as required if/when key risks materialise e.g., interest rates do not fall in coming years. If these risks do not materialise, these provisions are able to be released back into reserves for other purposes. Further details of such contingency plans are set out within **Confidential Appendix 2**.

Cost of Not Progressing with Arena Delivery

35. The costs of delivering the Arena are set out within the body of the report above, as well as within **Confidential Appendix 2** of this report. However, if the Council opted at this stage not to proceed with funding and delivery of the Arena, there are costs associated with that too.

Direct Costs of Not Proceeding with Arena

36. If a decision was taken not to sign the DFA and proceed with delivery of Arena, for affordability or any other reason, this is likely to result in direct abortive costs being charged back to revenue. Estimated Abortive Costs are set out within **Confidential Appendix 2** and include:
- **Arena PCSA Underwrite** – This is a penalty clause within the Pre-Contract Services Agreement the Council has signed with Developer/Operator and would become payable if the Council opted not to proceed with arena for any reason, but the Developer/Operator wished to continue. This cost would be to reimburse Developer/Operator for their costs to date, up to the pre-agreed cap, including Detailed design work on Arena, submission of Planning Permission etc. This would become an immediate abortive cost to the Council.
 - **MSCP PCSA Underwrite** – Similar to above, this is a penalty clause within Pre-Contract Services Agreement the Council has signed with Contractor appointed for Multi Storey Car Park delivery if the Council decided not to proceed with construction for any reason, but the contractor wished to continue. This would become an immediate abortive cost to the Council.
 - **Council Enabling Works** - In addition, the Council has already incurred/committed costs in progressing to this point of delivery for Arena.

These enabling works costs includes land assembly, release of covenants on County Hall site, professional fees, surveys etc. Whilst some of this could be deemed to remain a relevant asset e.g., land acquisitions, a significant proportion would likely become abortive and result in an abortive cost needing to be charged to revenue budgets in-year.

Programme and Next Steps

37. Subject to Cabinet approval of the funding strategy, the next stage of the process is to enter into the Development and Funding Agreement (DFA) with Live Nation consortium with a view to achieving Financial Close, and the Arena delivery contract becoming unconditional. Financial Close can only be achieved once RIBA Stage 4 is completed and a contractor is procured providing a final price. Financial Close is anticipated to occur in Summer 2024, with enabling works starting earlier in January 2024.
38. The indicative programme is set out below:
- December 2023 - Sign DFA (conditional)
 - January 2024 - Commencement of Enabling Works
 - May/June 2024 - Financial Close (signing of Lease unconditional)
 - June 2024 - Main Arena Construction Works to start.
 - Late 2026 - Arena Opening

Reason for Recommendations

39. To confirm entry into Development & Funding Agreement and associated suite of legal documents with Live Nation Consortium for delivery of the Indoor Arena

Financial Implications

40. The report sets out a revised funding strategy for enabling the Arena development, the first phase of the overall Atlantic Wharf Master Plan. The report includes detail on the approach to borrowing funds from different sources, interest payable on this borrowing. This borrowing is a consequence of Council's decision to undertake capital expenditure toward the project.
41. Various Cabinet reports are referred to where financial implications of undertaking that capital expenditure have been provided as part of business cases considered by Cabinet in the development of the project. That capital expenditure relates to: -
- £138.1 million of direct funding towards the arena construction of the indoor arena in exchange for an index linked lease income deemed a strong covenant. Whilst Council is providing up-front funding here, repayment of borrowing is funded by Arena Operator via annual lease payments to Council over course of 46-year contract.
 - £27.3 million Council contribution to the Arena development, assumed to be paid for from earmarked capital receipts and Council borrowing.
 - £46.0 million enabling works including a new Multi-Storey Car park assumed to be self-funding from parking income.

42. In respect to the Multi Storey Car Park, its dependencies on income from the existing and further phases of the Atlantic Wharf Master Plan have not been considered by Cabinet at this stage. The financial strategy proposed here therefore includes assumptions and so represents a risk to be monitored closely. If following consideration of the Multi Storey Car Park business case, it highlights the need for and implementation of any additional mitigations, these should be included as updates to this funding strategy and included in budget proposals.
43. The sums above are included in the capital strategy and investment programme approved by Full Council in March 2023 and will need to be updated with any changes arising from revisions to the funding strategy including additional borrowing to meet interest costs.
44. The detailed financial modelling in **Confidential Appendix 2** and interpretation of this modelling sets out a base case scenario. This sets out the Capital Expenditure, revenue budget impacts, the treasury management and financial policy implications to determine whether the capital investment proposed in the business cases is affordable, prudent, and sustainable. This indicates that over the period of 46 years this is achievable, albeit there are key risks that need to be managed and mitigated. This is an extremely long period of time and Cabinet are referred to the following in considering the approach recommended in this report:
- The overall financial investment / asset on completion of the first phase, enabling future investment in the City.
 - The risk of abortive costs in the event of not proceeding
 - The recommended approach to temporary borrowing in the short term and fixing any borrowing on the expectation that interest rates will fall based on current external treasury management advice. Whilst entering into the Arena DFA without a fixed cost of borrowing does represent a risk to the Council as interest rates are unlikely to exactly follow the LINK forecasted rates set out in **Confidential Appendix 1**, and could move at faster or slower pace, or even not follow a downward trajectory at all, this is deemed to be a calculated risk as it is widely accepted based on current market analysis that interest rates are likely fall in the medium term (2-3 years).
 - The key risks identified in the report and **Confidential Appendix 2**, namely, Interest Rate, Retail Price Index uplift of income and Multi Story Car Park income.
 - The requirement to make prudent provision for repayment of any capital expenditure incurred over a prudent period of time in line with its agreed Policy.
 - The change in approach to capitalising interest to better match income and expenditure
 - The Council's Borrowing Strategy aims to meet the long-term aims of promoting revenue cost stability to aid financial planning and avoid a stop-start approach to service delivery, although it is recognised that this may have a financial impact.
 - The need for financial mitigations to ensure that long-term borrowing commitments remain affordable now as well as in the medium to long term, to minimise financial resilience risk.

45. The report sets out a number of financial resilience risk mitigations, some of which are clearly identified and others which are items to consider with no data on the achievability or deliverability of such mitigations. Where these mitigations are detailed, these involve: -
- Using the existing and planned revenue budgets in future years of £2.9m towards reducing the level of capital expenditure to be paid for by borrowing, including the decision to capitalise interest.
 - In addition, use in 2024/25 of the current Central Enterprise Zone Reserve towards reducing the level of capital expenditure to be paid for by borrowing.
 - Re-purposing part of the Treasury Management Earmarked Reserve as a contingency to variations in the financial model forecasts on an ongoing basis.
46. Where the mitigations are not clearly identified or developed, this should be logged as part of any project risk register as mitigations and continue to be reviewed with reporting on outcomes included in project management updates.
47. In the event these contingency measures are not implemented prior to any agreed checkpoints identified, there is a financial risk to the approach set out in the funding strategy. Where deviations to the mitigations set out in the funding strategy are made, these should be clearly set out with risk and financial implications impact considered over the whole term of the project. The report does not set out whom, where and how often the funding strategy performance and progress on the project would be reported. This is essential to ensure consistency as part of the Council's process for budget monitoring and best practices approaches to post project review.
48. The report identifies an accounting policy change to capitalise interest on qualifying assets. This is consistent with approaches in other authorities and the approach has been agreed with Audit Wales. This would allow this, and future transformative projects undertaken by the Council to proceed particularly where there is a significant period of time between construction and operation of the assets. It should be noted that this is not a blanket approach across all capital schemes. The estimated level of interest to be capitalised is £15.5 million over the construction period. This will result in an increase in the capital expenditure investment programme, in addition to that already approved, with mitigations in the short-term aiming to reduce the amount to be spread over future years in order to minimise financial risk. This will need to be updated as part of the budget proposals for 2024/25.
49. Implementation of the funding strategy and associated Treasury Management activities are delegated to the Council's S151 Officer with periodic reports to full Council at the start of the year, mid-year, and end of the year. In the short term, it is proposed specific loans may be ringfenced to the project to allow monitoring and reporting for this specific project. In medium term as loans are then fixed following completion of the construction period, to then consider alignment with the Council's overall Treasury Management Strategy where loans are not generally taken for specific purposes, but to pay for the capital programme as a whole. This will be subject to ongoing review with relevant Treasury Management advice and delegation to S151 Officer in respect to Treasury Management activities.

50. It should be noted that this project and funding strategy is only part of the overall capital programme and cause of the projected increase in the Capital Financing Requirement to be paid for by borrowing over the next few years. The risks re interest rates and future levels of borrowing and affordability apply to the whole capital investment programme, including housing and investment to improve other assets. The Capital Programme and affordability of the Capital Programme is assessed annually as part of the update of the Capital Strategy and relevant medium term financial plans of the HRA and General Fund. This also includes a statement from the S151 Officer in respect to affordability, prudence and sustainability of the Capital programme having regard to the revenue budget forecasts and certainty of income in respect to schemes proposed such as this project.
51. Whilst there is certainty of income in respect to the majority of proposals in this funding strategy which suggest that the project is affordable over a 46-year period, it is also unclear what further commitments further phases of the Atlantic Wharf Master Plan and other major projects will have on the Council's own borrowing requirement. In an uncertain economic environment, the strategy proposed does create a financial resilience risk if not mitigated as planned. This will need to be managed closely and consideration be given in the update of the Capital Strategy to limiting further major projects expenditure by the Council and working with partners to deliver further phases, after Council involvement in enabling activities. To do otherwise without certainty following completion of this funding strategy is a significant risk to the affordability, prudence and sustainability of additional borrowing given the council's existing and emerging capital expenditure pressures.
52. Other significant major projects that the Council is aiming to implement which will need to interlink with the Arena project include Cardiff Crossrail, the Heat Network, the long-term future of the County Hall building, and the potential redevelopment of the Red Dragon Centre which was acquired as an investment. The interlinkages between new Arena and these projects needs to be clear to ensure no financial commitments or liabilities are being entered into by the Council as part of the implementation of Phase 1 and the funding strategy proposed in this report.
53. Whilst the funding strategy is identified for the three main cost areas identified above, the report does not identify any additional costs to the Council, whether revenue or Capital during the implementation of the construction phase; nor in any wider activities to integrate the effective operation of the asset once constructed. In the absence of these not being raised or identified in previous approved business cases, it is assumed that there are no such additional costs to the Council for Phase 1.

Legal Implications

54. Cabinet resolved at a meeting on July 13th 2023 to approve the final terms of the DFA, subject to approval of a funding strategy, which is referred to in the background papers to this report. As such, this report sets out the Council's proposed funding strategy for the arena project to assist in managing the financial risks of the project in the short and long term. It would be prudent for the decision makers to have regard to the financial risks set out in this report and its appendices prior to entering into DFA.

55. Further external legal advice has been obtained and appended to the report within **Confidential Appendix 2** as an update on previously provided subsidy advice due to the enactment of the Subsidy Control Act 2022.

Equalities & Welsh Language

56. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment (c) Sex (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation (i) Religion or belief – including lack of belief.
57. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers (WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 (gov.wales) and must be able to demonstrate how it has discharged its duty.
58. An Equalities Impact Assessment aims to identify the equalities implications of the proposed decision, including inequalities arising from socio-economic disadvantage, and due regard should be given to the outcomes of a Equalities Impact Assessment, where applicable.
59. The decision maker should be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

The Well-being of Future Generations (Wales) Act 2015

60. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The wellbeing objectives are set out in Cardiff's Corporate Plan 2020 -23.
61. 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.

62. 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
63. 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 online using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

Property Implications

64. The Council have assembled various parcels of land and assets as part of the enabling works referred to in the report. Whilst the assets are currently being managed as vacant land and property, there is a cost to holding vacant assets and whilst due diligence is required to review the funding strategy, any further delays in signing the DFA will only add to practical pressures of managing vacant assets.
65. The report refers in paragraph 31 to the consideration for mitigation in respect of the current financial modelling which includes the generation of capital receipts and income potential from the wider Atlantic Wharf area. The existing assets within the wider area are currently managed and leased to the maximum potential given the current planning and masterplan status offering flexibility for vacant possession or held strategically and vacant for immediate access. The assets have been acquired and managed with a view to providing the Major Project team with as much flexibility as possible whilst retaining an income stream and minimising holding costs to the Council.
66. The work on the business case for the MSCP is currently ongoing and the Estates team will assist and offer any professional advice required a part of any future procurement or marketing of the opportunity for management in order to secure the most robust operating model to capture the income required.

RECOMMENDATIONS

Cabinet is recommended to:

- 1) Approve the Indoor Arena Funding Strategy as set out within this report and in more detail at **Confidential Appendix 2**.

- 2) Authorise entry into and execution of the Development and Funding Agreement (DFA) previously approved by Cabinet in July 2023, and in so doing approve any amendments to the legal documentation as may be necessary, for reasons including but not limited to ensuring consistency between them and finalising any outstanding areas of further deeds and documents which are ancillary to the legal documents approved, subject to consultation with S151 Officer and Legal Officers.
- 3) note that, subject to entering in to a DFA with the Arena Developer/Operator and approval by Cabinet of the MSCP Business Case at a future meeting, relevant financial implications will be updated in the Medium-Term Financial Plan, Capital, and Treasury Management Strategies to be consistent with this funding strategy, to form a revised affordability envelope.
- 4) note that Treasury Management Activities are delegated to the S151 Officer and implementation and review of this funding strategy will be undertaken as part of the annual updates to the strategy and checkpoints in respect to this project specifically as part of post project review.

SENIOR RESPONSIBLE OFFICER	Chris Lee Corporate Director Resources & Neil Hanratty Director of Economic Development
	17 November 2023

The following appendices are attached:

- Confidential Appendix 1** – Report & Financial Modelling by Council Treasury Advisors
(LINK)
- Confidential Appendix 2** – Council Funding Strategy

The following background paper has been taken into account

Atlantic Wharf Update – July 2023 Cabinet Meeting

By virtue of paragraph(s) 14, 16, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 14, 16, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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CABINET MEETING: 23 NOVEMBER 2023

ADVICE SERVICE CONTRACT RECOMMISSIONING

**TACKLING POVERTY, EQUALITY & PUBLIC HEALTH
(COUNCILLOR PETER BRADBURY & COUNCILLOR JULIE
SANGANI)**

AGENDA ITEM: 4

Reason for this Report

1. To provide an update on the current arrangements for advice provision in the city.
2. To set out the proposed procurement arrangements for the advisory services contract from 1st April 2024.
3. The report seeks Cabinet's agreement to delegate authority to the Director of Adults, Housing and Communities, in consultation with the Cabinet Member for Tackling Poverty, Equality and Public Health, to determine all aspects of the procurement process (including finalising the evaluation criteria, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement of the Advice Service Contract).

Background

4. Advice Services in Cardiff are currently provided through a mix of directly delivered 'in-house' provision through the Council's Advice Services and via contracted out provision, currently delivered by Citizens Advice and The Speakeasy Advice Law Centre. The current contract for Advice Services ends on 31st March 2024, therefore these services are required to be recommissioned ahead of April 2024.

Council Advice Provision

5. The amount of Advice given by in-house teams has increased over the past 7 years, since the last contract was commissioned, due to team expansion and the realignment of internal teams into the Advice Service, with recent additions including Welfare Liaison (money and debt support for council contract holders), Housing Solutions, Homelessness Prevention and Assessment.

6. The Council's Money Advice Team provides a wide range of advice, including generalist welfare benefit advice, budgeting and low-level debt advice. The team links in closely with the Into Work Advice Service and Housing Advice teams to provide a solution-based approach for customers. A substantial expansion of the wider Advice Team has been possible as the team have been successful in securing external funding including the UK Government's Shared Prosperity Fund, DWP's Local Supported Employment project and the Children and Communities Grant, over the past 12 months.
7. The Advice Service also includes a comprehensive Employment and Reskilling provision, which includes Adult Learning, a Community Digital Service, the Onsite Construction Academy, Cardiff Cares Academy and the Council's in-house agency, Cardiff Works – together with its recent Cardiff Works For You paid placement initiative. The Money Advice Team has also benefitted from Shared Prosperity Funding, to employ a dedicated Young Person's Money Advisor, to support specifically young people leaving care and the operation of the Basic Universal Income Pilot.
8. There have been considerable advantages to providing advice in-house; council Advice Officers work closely with Hub, Housing and Benefit Staff who provide support on a wide range of council issues including housing allocations, waiting list interviews and housing benefits. The teams work together on a daily basis to resolve issues at the first point of contact. Advice Officers have direct access to council systems, such as Housing Benefit/Council Tax Reduction, Housing Rent Recovery and Housing Waiting List systems. With customer consent, staff can directly access data from these systems to identify the latest information and resolve issues at an early stage.
9. Staff work closely with officers within the Benefit Assessment team, to ensure that customers who are affected by the Benefit Cap and Universal Credit are fully supported. The Advice Team are empowered to make decisions on Discretionary Housing Payments and Together for Cardiff funding applications.
10. The team have excellent relationships with Registered Social Landlords and, with the customer's consent, liaise with them directly to resolve issues including rent arrears. The team also work closely with Council Tax Recovery and are able to provide support with Council Tax debt, recently facilitating the use of the Welsh Government's Cost of Living Discretionary Scheme funding to clear priority debts. Whilst personal data is protected and information is not given without client consent, this close interdepartmental working can prevent further recovery action and evictions.
11. The Council also provides advice through the Independent Living Service, including Information, Advice and Assistance to older people and those with disabilities to help them remain independent in the community.

12. The Money Advice Team provides services from Central Library Hub and across the city in Community Hubs, Food Banks, Schools, Temporary and Supported Accommodation settings, but also provides support through a dedicated Advice Line and online through the website and webchat.
13. The Money Advice Team saw a 58% increase in the number of people requiring help during 2022/23, with over 16,000 customers being supported with budgeting, debt, and help to apply for grants, discounts and discretionary funding. Over £21.3 million in additional weekly benefits were identified, surpassing the previous year's total of £17.2 million.
14. From September 2022 to March 2023, the Money Advice Team supported 15,388 Cardiff residents to access the £2.1million Cost of Living Discretionary Fund, to help those in most need including carers, people in priority debt and fuel poverty. The team created and deployed Fuel and Food Poverty Champions across Community Hubs to provide advice and support people with rising living costs.
15. The Money Advice Team launched a wide-reaching publicity campaign in Autumn 2022 to raise awareness of the support and help available from the service in light of the Cost-of-Living Crisis. The campaign included radio adverts, social media, adverts on Spotify, Wales Online and South Wales Echo articles, adverts on buses, the use of iVans in communities across Cardiff advertising in community languages. Every household in the city was also written to and received information on help available through the Money Advice Team and wider Advice Services. An updated campaign has been launched ahead of this year's winter pressures.
16. An increase in demand for support with specialist benefits led the Money Advice Team to bid for additional funding, to create a dedicated Disability Support Team earlier this year. The Team offers a variety of specialist advice and support with Child Disability Living Allowance, Employment and Support Allowances, Limited Capability with Universal Credit and Personal Independence Payments. The team can also help with completing claim forms, Mandatory Reconsiderations and appeals and where appropriate provide representation at tribunal hearings.
17. The Advice Service's dedicated **Advice Line** has tripled in size since the pandemic; with face-to-face provision stopping during lockdown, the Advice Services moved all support to the phone line to ensure that the needs of vulnerable residents could still be supported. However, on return to face-to-face support, it was evident customers still required the service especially for those struggling to leave their homes. Funding was secured to grow the service, to carry out low level initial advice on a range of topics including benefit checks, food bank vouchers, housing waiting list queries, and facilitate the completion of online applications. The Advice Line handled over 48,000 calls during 2022/23 with the most common queries concerning the Cost-of-Living Crisis and the Winter Fuel Support Scheme.

Contracted Advice Provision

18. The current Advice Contract is with the “Cardiff Advice Service”, which is a partnership between Citizens Advice and The Speakeasy Advice Law Centre. The current cost of the service is £300,000 per year. The contract is due to end on 31st March 2024.
19. In line with the Welsh Government’s Information and Advice Quality Framework, the contract currently provides 5 different levels of advice:

Information

Information “Describes a service which gives clients the information they need for them to know more and do more about their situation. It can include providing information about policies, rights and practices; and about local and national services that may be able to offer the client further help. Responsibility for any further action rests with the client”.

Guidance

Guidance “Describes a service which may discuss the advantages and disadvantages of different options without making specific recommendations. It may include making and receiving referrals, identifying emergencies and prioritising issues”.

Advice

Advice “Describes services which diagnose the client’s legal problem and any related legal matters; identifies options and relevant legislation and decides how it applies to a client’s specific circumstances; includes identifying the implications and consequences of such action and grounds for taking action; includes form filling; provides information on matters relevant to the problem such as advising on next steps and identifying dates by which action must be taken to secure the client’s rights. Advice may take place on more than one occasion.”

Advice with Casework

Advice with Casework “includes all elements of an advice service and also involves taking action on behalf of the client with third parties on the telephone, by letter or face to face”.

Specialist Casework

Specialist Casework “Describes services where the adviser or the service as a whole undertakes advice and casework at a level where very detailed knowledge of the law and case law is required. Usually this means it is delivered by advisers who have the necessary depth of legal knowledge and expertise to undertake representation for clients through the court or tribunal”.

The different types of advice provided under the contract are listed below:

- Welfare Benefits
 - Budgeting/Debt
 - Housing
 - Consumer Advice
 - Employment Advice
 - Immigration Advice
 - Family/Relationship Advice
 - Discrimination Advice
20. Having a single contract for Advice Services has worked well over the past 7 years, allowing for effective communication and clear contract management arrangements, including monthly Contract Monitoring Meetings between provider Account Managers and council Advice Managers.
21. Performance over the lifetime of the contract has been of a good standard. During 2022/23:
- 4,271 customers were supported under the contract
 - *1,191 for Information & Guidance*
 - *753 for Advice*
 - *925 for Advice with Casework*
 - *1,402 for Specialist Casework*
 - 93% of customers who were supported with Information, Guidance & Advice, had their issue resolved at first contact.
 - Over £2 million in weekly benefits gained.
 - 90% of Tribunal cases were successful.
 - 95% of customers surveyed were satisfied with the service.
22. The way in which customers access contracted and in-house advice provision has changed considerably over recent years. The introduction of a dedicated phone line has allowed people to access services more easily, which was particularly beneficial during the pandemic, allowing vulnerable customers to continue to receive support. As services return to pre-pandemic delivery, the demand for face-to-face provision has increased. The current contracted service is provided from Central Library Hub and accommodation is provided free of charge for this purpose. This includes both customer facing and back office provision. Both the Council's Advice Service and advice provided under the contract will continue to be co-located.
23. The current contract, awarded in 2016, saw the funding reduced on a phased basis, from £410,000 in Year 1 to £300,000 in Year 5. This reduction was based on the Council's in-house services providing a wide range of generalist advice, including signposting to other relevant services. The in-house services are not currently able to provide advice on more specialist matters including serious debt and immigration, hence the need for contracted provision in order to cover the gap in support. An element of independent advice is also required, for customers who do not wish to access council provision. The Council's Advice Service and current Advice Partner have worked together to prevent duplication of support provided to customers. Under the new contract, a robust triage

process will be introduced to ensure that customers are directed to the correct level of support according to the nature of their enquiries, first time. It is anticipated that this additional triage will generate ongoing efficiencies, reducing the work of the external provider, and therefore it is proposed that the contract value should remain fixed during the period of the new contract.

Issues

24. As the current advice contract comes to an end on 31st March 2024, there is a requirement to recommission services ahead of this date.

Proposed External Advice Partner

25. As stated above, whilst the Council's Advice Services can provide a range of quality, robust advice to all residents of Cardiff, it is imperative that should citizens require more specialist or independent advice, this is available through a 3rd party, separate to the Council.
26. It is therefore proposed that an 'Advice Partner' is commissioned who will work with the Council to provide complimentary services and advice which isn't available through the Council's Advice Services such as Serious Debt, Independent Housing Advice and Immigration Advice.
27. Given the success of the current arrangements, it is proposed to continue with a single contract for Advice Services. However, bids will be welcomed from single providers, consortia or by a lead provider with subcontractors – which is the current arrangement.

Proposed Procurement Arrangements

28. It is proposed to carry out this recommissioning via open procurement, utilising sell2wales and in line with public contract regulations. The high level evaluation criteria will be based on 100% Quality, due to the yearly contract value being fixed for the duration of the contract.
29. The procurement process will include 'functional' and 'performance' related evaluation criteria. As part of the evaluation process, providers will provide a breakdown of their expected performance against key performance indicators identified in the Contract Specification. This will include
 - Number of Advisor Hours delivering direct provision
 - Number of Advisor Hours delivering telephone advice
 - Number of Volunteer Hours providing Information and Guidance and Generalist Advice
 - Numbers assisted for Information & Guidance, Advices, Advice with Casework, Specialist Casework
 - Percentage of individuals who issue was resolved at first contact
 - Percentage of individual whose first appointment is within allotted timescales
 - Percentage of people satisfied with the service

- Amount of previously unclaimed benefit/grant successfully claimed additional ongoing benefit and additional lump sum awards
 - Amount of Debt negotiated/written off
 - Percentage of tribunal/court cases that are successful
30. Providers will be asked to submit an indicative unit cost per customer, for each level of support that is available under the contract, to ensure value for money.
31. In addition, providers will complete a series of methodology questions, which are broken down in the following sub criteria sections:
- Annual Service Level and Purchase of Additional Services – 40%
 - Equalities – 5%
 - Efficiencies, Effectiveness & Partnership Working – 20%
 - Outcomes and Quality Measures – 30%
 - Implementation – 5%
32. It is proposed that a 5 year contract will be awarded, with the option to extend for a further 2 years should this be required. It is anticipated that a longer term contract will provide stability and sustainability to the Advice Partner. The maximum value of the contract will be £2,100,000 over the 5 years plus 2 year extension period, equating to £300,000 per annum.
33. As set out above it is anticipated that effectively reducing the amount of support provided under the 'Information', 'Guidance' and 'Advice' categories, will allow an increase in the number receiving 'Advice with Casework' and 'Specialist Advice'. This will reduce further reduce duplication, making best use of resources, including staffing and cost savings. A Matrix will be included as part of the Contract Specification, setting out the minimum number of customers to be supported in each of the advice categories. It is expected the minimum level of Specialist Advice with Casework given will not fall lower than 20% of the overall number assisted.
34. Despite inflationary pressures, the proposed funding (£300,000pa) will remain the same each year throughout the lifespan of the new contract. This is due to the removal of duplication which will allow for a reduced target for the number of people being supported with lower level advice by the procured provision. The Advice Partner will work in partnership with the Council's Advice Team to ensure customers are accessing the correct level of provision from the right service.
35. In addition to the Annual Contract Value above, the Council will continue to provide space within Council owned buildings free of cost where required, including front facing offices and back office space in Central Library Hub.
36. The incumbent Advice Partner would also be required to bid for additional funding from external sources to supplement the council funding, while not duplicating existing provision. There will also be the

opportunity for the Council to award further work under the contract, should extra funding be available for advice purposes.

Consultation

37. With minimal proposed changes to the new contract and a high level of customer satisfaction (95% of customers 'extremely satisfied') with the current service, a public consultation was not considered necessary. However, to encourage feedback from partners, a face to face stakeholder consultation was held on 13th September 2023. Positive comments were received on the current 'One Stop Shop' model of delivery, having both the external contracted services and council services co-located under one roof. Partners also communicated positively about customers having access to independent advice, separate to Council Services.
38. The event encouraged open conversations on what needed to be improved and what would add value to a future contract. Partners expressed the requirement for fully face to face provision, both drop-in and appointment based, in Central Library Hub but also in other accessible locations. Partners also discussed the increased need for more specialist advice for complex cases, with less emphasis on general information and advice. A need for a more efficient referral system/advice pathway also came high on the agenda for partners, as a number found accessing provision confusing and not knowing which service took responsibility for what area of advice.
39. As a result of these recommendations, a new referral system will be put in place in readiness for the start of the new contract, together with a refreshed triage system to ensure customers are directed to the correct level of support first time. A full implementation programme will be required from the new provider which will include briefings for stakeholders and council front line staff, along with a joint publicity campaign with Council Services, to raise awareness of the support available. Accessible accommodation for face to face provision will be available to the provider as outlined in the Contract Specification.
40. An Equality Impact Assessment has been carried out on the above proposals; no issues were raised.

Reason for Recommendations

41. To obtain agreement for the approach to the recommissioning of the Advice Services Contract, and to gain the necessary approval in order to commence the procurement process to invite tender from the open market.

Financial Implications

42. Revenue base budget funding is currently available at a level that would support the costs outlined in paragraph 31. In considering any tender returns as part of any delegation to be exercised, further financial advice

will need to be sought including the approach to increasing costs over the term of the contract to ensure the commissioning of advice services is managed within the Medium-Term Financial Plan. In accordance with the issues highlighted in the report in respect to lessons learnt, clear performance metrics should be collated and reviewed to minimise duplication and ensure any additional requests for advice are managed in agreed in line with the provisions of the contract to ensure advice services remain within the budget available.

43. Where external grant funding is used to support advice services, any expenditure should be in accordance with the terms and conditions of that grant and be sustainable over the contract period being entered into.

Legal Implications (including Equality Impact Assessment where appropriate)

44. The report recommends Cabinet to approve the procurement of the external Advice Services (as detailed in the body of the report).

The report also recommends that authority is delegated to the Director of Adults, Housing & Communities in consultation with the Cabinet Member with responsibility for Tackling Poverty, Equality & Public Health, to determine all aspects of the procurement process (including approving the evaluation criteria to be used, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement). Full legal advice should be sought on the proposals, the procurement process and in relation to the drafting of the draft terms and conditions of contract, as the same are developed.

45. The report notes the completion of a stakeholder consultation. This gives rise to a legitimate expectation that the findings of the consultation shall be given due regard in the decision-making process.

46. Funding

It is understood that the some of the services may be reliant upon grant funding from various sources. The decision maker must be satisfied the proposed way forward complies with the conditions attached to the relevant grants/funding from the various sources.

47. TUPE

It is noted that currently the existing provider for external Advice Services and accordingly, TUPE may apply to the award of the new contract. Legal advice should be sought in relation to any resulting TUPE implications.

48. Equality Duty

The Council has to satisfy its public sector duties under the Equality 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

49. 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.
50. 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 2023-26. 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.
51. 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
52. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

General

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

HR Implications

55. There are no HR implications arising directly from this report.

Property Implications

56. There are no specific property implications in respect of the Advice Service Contract Recommissioning Report. Where there are any property transactions or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with relevant service areas.

RECOMMENDATIONS

Cabinet is recommend to

1. To approve the overarching approach for the procurement of the external Advice Service provision.
2. To delegate authority to the Director of Adults, Housing & Communities in consultation with the Cabinet Member with responsibility for Tackling Poverty, Equality & Public Health, to determine all aspects of the procurement process (including finalising the evaluation criteria to be used, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement).

SENIOR RESPONSIBLE OFFICER	Jane Thomas Director Adults, Housing & Communities
	17 November 2023

The following appendix is attached:

Appendix 1 – Single Impact Assessment

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Single Impact Assessment

Cardiff Council



1. Details of the Proposal

What is the proposal?

Title: Advice Service Contract Recommissioning

Is this a new proposal or are you amending an existing policy, strategy, project, procedure or service?

New

Existing

Directorate/Service Area:

People & Communities / Adults, Housing & Communities

Who is developing the proposal?

Name: Hayley Beynon

Job Title: Operational Manager - Advice

Responsible Lead Officer (Director or Assistant Director):

Helen Evans; Assistant Director – Housing & Communities

Cabinet Portfolio:

Tackling Poverty, Equality & Public Health

Authorisation	
Completed By:	Hayley Beynon
Job Title:	Operational Manager – Advice
Date:	10/10/2023
Approved By:	Helen Evans
Job Title:	Assistant Director, Housing & Communities

Document History – do not edit.

The Single Impact Assessment (SIA) can be strengthened as time progresses, helping shape the proposal. Version control will provide a useful audit trail of how the SIA has developed. Draft versions of the assessment should be retained for completeness, however only the final version will be publicly available. Draft versions may be provided to regulators if appropriate.

Version	Author	Job Title	Date
1	Fiona Gibson	Senior Corporate Policy Officer	12/10/2022
2	Fiona Gibson	Senior Corporate Policy Officer	12/04/2023

2. Overview of the Proposal

What action is the Council considering and why?

Please provide a detailed outline of the proposal. This information will support your findings in the impact assessments.

1. To provide members with an update on the current arrangements for advice provision in the city; including an update on the Council Advice Service Teams, including the Money Advice Team and dedicated Advice Line.
2. To consider the re-procurement of the Advice Services Contract, to commence in April 2024.

Advice Services in Cardiff are currently provided through a mix directly delivered 'in-house' provision through the Council's Advice Services and via contracted out provision, currently delivered by Citizens Advice and The Speakeasy Advice Law Centre. The current contract for external Advice Services ends on 31st March 2024.

The amount of Advice given by in-house teams has increased over the past 7 years, due to team expansion and the realignment of internal teams to the Advice Service, with recent additions including Welfare Liasion (money and debt support for council contract holders) and Housing Advice Services.

Whilst the Council's Advice Services can provide a range of quality robust advice to all residents of Cardiff, it is imperative that should citizens require more specialist or independent advice, this would need to be accessed through a 3rd party, separate to the Council.

It is therefore proposed that an 'Advice Partner' is commissioned who will work with the Council's Advice Services, to provide complimentary services and advice which isn't available through the Council, such as Serious Debt, Independent Housing Advice and Immigration Advice.

What are the costs and/or savings?

What will the proposal cost and how will it be funded?

How might costs be reduced through involvement and collaboration, across Cardiff Council and/or with external stakeholders?

Are there savings and how will these be realised?

It is proposed that a 5 year contract will be procured for, with the option to extend for a further 2 years should it be required. The maximum value of the contract will be £2,100,000 over the 5 years plus 2 year extension period, equating to £300,000 per annum.

The contract will be funded through council general funds, however should there be opportunity to be able to utilise relevant grant funding, this will happen on a quarterly

basis. The Council's Advice Services dedicated Bid Writer will continuously look for appropriate funding to help support the costs of the contract.

Despite inflationary pressures, the proposed yearly funding (£300,000) will remain the same each year throughout the lifespan of the new contract and will not rise with the cost of living. The static funding is due to a reduced target of the number of people being supported by the procured provision and working in partnership with Council services to ensure customers are accessing the correct level of provision.

3. Impact Assessments

Which impact assessments do you need to complete to support your proposal?

The [Impact Assessment Screening Tool](#) provides advice tailored to your proposed policy, strategy or project regarding which impact assessments may be required and who to contact to find out more.

The screening tool is an online form with mainly multiple-choice questions which should take less than 10 minutes to complete.

Once the answers have been submitted, an automated email will be sent to you with the recommended next steps and details of who to contact for expert advice.

Put Yes or No next to each of the impact assessments listed below to indicate which ones are being carried out.

Impact Assessment	Page	To be completed: Y/N
A. Equality Impact Assessment	4	Y
B. Child Rights Impact Assessment	10	N
C. Welsh Language Impact Assessment	11	Y
D. Habitats Regulations Assessment	16	N
E. Strategic Environmental Assessment	17	N
F. Data Protection Impact Assessment	18	Y
G. Health Impact Assessment	19	N

For further information on all the above impact assessments including who to contact for advice, please visit the [Policy Portal](#).

A: Equality Impact Assessment

Guidance in completing this assessment can be accessed [here](#). Please consult the Equality Team for any further assistance with completing this assessment EqualityTeam@cardiff.gov.uk

Under the Equality Act 2010, “differential impact” means that people of a particular protected characteristic (e.g. people of a particular age) will be significantly more affected by the change than other groups.

Impact on the Protected Characteristics

Age

Will this proposal have a **differential impact [positive/negative]** on different age groups?

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

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

The Council’s Money Advice Team has recently implemented a dedicated provision for young people, to receive budgeting and benefit support and to specifically support Care Experienced Young People claiming Universal Basic Income. This has had a positive impact, allowing young people to receive support in Council Buildings across the city, but also in Youth settings including schools, young person’s accommodation and youth buildings.

The introduction of both the Council’s Advice Line and Advice Partner’s phone line has meant people are still able to access support who would ordinarily struggled to leave their homes or those who are vulnerabe. This has been an invaluable addition for mainly older people, although the demand for telephone support has increased across all age ranges.

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

In addition to the support provided specifically to young people, the Money Advice Team also provides support to working age people and are currently supporting those who will be affected by the Universal Credit Managed Migration. The team will also be carrying out a campaign to raise awareness of the support available during winter months, including Winter Fuel Payments and Warm packs.

The tender Quality Questions will include a section around how the providers will engage with people of different age groups and what support they will provide to encourage people to seek support.

Disability

Will this proposal have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment	Y		
Learning Disability	Y		
Long-Standing Illness or Health Condition	Y		
Mental Health	Y		
Neurodiversity	Y		
Physical Impairment	Y		
Substance Misuse	Y		
Visual Impairment	Y		
Other	Y		

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

The procured provision will have a positive impact on disabled people; in line with the Welsh Government's Information and Advice Quality framework, the contract will provide five different levels of advice:

- Information
- Guidance
- Advice
- Advice with Casework
- Specialist Casework

The different types of advice under the contract will include:

- Welfare Benefits
- Budgeting/Debt
- Housing
- Consumer Advice
- Employment Advice
- Immigration Advice
- Family/Relationship Advice
- Discrimination Advice.

The contracted provision will be provided primarily from Central Library Hub and via the phone line, but regular reviews will be carried out on demand to determine whether the provision will need to be provided from other areas in the city, to reach as many communities as possible.

The Council's Advice Services provide support in communities across Cardiff, including Hubs, Council and Community Buildings, Food Banks, Schools, Supported Accommodation settings. The team also hosts pop up events in shopping centres, Hospitals, supermarkets and busy high streets.

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

Both the Advice Partner and Council Advice Services will work collaboratively to host Advice Roadshows, targeting areas of the city according to need.

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Gender Reassignment

Will this proposal have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
Transgender People (Transgender people are people whose gender identity or gender expression is different from the gender they were assigned at birth.)			n/a

Please give details/consequences of the differential impact, and provide supporting evidence, if any.
What action(s) can you take to address the differential impact?

Marriage and Civil Partnership

Will this proposal have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage	Y		
Civil Partnership	Y		

Please give details/consequences of the differential impact, and provide supporting evidence, if any.
The procured advice contract will have a positive impact on Marriage/Civil Partnership, as the provider will have capability to provide advice and support on Family and Relationship Advice, including advice on separating/relationship breakdown and child arrangements.
What action(s) can you take to address the differential impact?
This is a positive impact, as currently the Council’s Advice Services are not able to provide this type of advice.

Pregnancy and Maternity

Will this proposal have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy			N/A
Maternity			

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

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

Race

Will this proposal have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White	Y		
Mixed / Multiple Ethnic Groups	Y		
Asian / Asian British	Y		
Black / African / Caribbean / Black British	Y		
Other Ethnic Groups	Y		

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

The Council's Advice Services are able to deliver a wide range of advice in Communities across the city, and have staff who can speak a number of community languages. The Into Work Advice Service (part of the Council's Advice Services) has recently implemented the Cardiff Works Ready programme and the Cardiff Works for You subsidised placement scheme, which has had a positive impact on people from under-represented communities, who have little or no work experience.

The Cardiff Works Ready programme provides additional support to become employment ready by accessing Adult Learning courses and one-to-one mentoring. The Cardiff Works for You subsidised placement initiative was launched to provide Cardiff Council temporary employment opportunities for people from under-represented communities who would normally struggle to secure employment. The initiative fully funds the first month's salary cost to allow candidates to gain work experience within the Council.

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

By fully aligning the Into Work and Cardiff Works teams, there has been some fantastic outcomes for those seeking work. Additional external funding was secured to appoint Community Engagement Officers. Their role is to connect with communities that are under-represented in the current workforce and engage with younger people. The Community Engagement Officers have carried out a programme of events in the Southern Arc of the city, working with community groups to raise awareness of the types of roles available and the support on offer for those who have little or no work history.

Several specific BME Jobs Fairs have taken place in local mosques, Grangetown Pavilion and Grange Gardens. From the involvement of the Community Engagement Officers across the Into Work team, and the work with the Race Equality Taskforce, the percentage of BME applicants applying and successfully entering into the Cardiff Works pool has increased from just 7% in June 2021, to 37% at the end of March 2023. Whilst the increase has been welcomed by the whole service, a programme of further engagement events has already commenced to further increase the diversity in the pool.

Religion, Belief or Non-Belief

Will this proposal have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist			N/A
Christian			N/A
Hindu			N/A
Humanist			N/A
Jewish			N/A
Muslim			N/A
Sikh			N/A
Other belief			N/A
No belief			N/A

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

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

Sex

Will this proposal have a **differential impact [positive/negative]** on male, female or non-binary persons?

	Yes	No	N/A
Male persons			N/A
Female persons			N/A
Non-binary persons			N/A

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

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

Sexual Orientation

Will this proposal have a **differential impact [positive/negative]** on people with different sexual orientations?

	Yes	No	N/A
Bi			N/A
Gay			N/A
Lesbian			N/A
Heterosexual			N/A
Other			N/A

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

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

Socio-economic Duty

Is the change anticipated to reduce or contribute to inequality of outcome as a result of socio-economic disadvantage? (e.g. will the change negatively impact on those on low-incomes or those living in deprived areas?)

	Yes	No	N/A
Socio-economic impact		N	

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

The change will positively impact on those from low-incomes/living in deprived areas, through increased amount of advice provision and the level of advice given.

Increased visibility in deprived communities has already begun with a scheduled community engagement programme; the Council’s Advice Services has already seen an increase of 30% in the number of people engaging with provision over the past 12 months.

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

Welsh Language

Will this proposal have a **differential impact [positive/negative]** on the Welsh language?

	Yes	No	N/A
Welsh language	Y		

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

A wide-reaching bilingual communications campaign was launched in Autumn 2022 to raise awareness of the support available from both the Advice Partner and council services, for those affected by the Cost of Living Crisis. This included promoting the different types grants, discounts, discretionary funding available and dispelling myths on help available to those not just on benefits.

The campaign included radio adverts, social media, spotify adverts, Wales Online and South Wales Echo articles, adverts on buses, the iuse of iVans in communities across Cardiff. Every household in the city was also written to and received information on help available. The number of people contacting the team increased by 58% in the 3 months after the website and publicity launch (Regular, ongoing publicity continues to be carried out to further promote the services.

The new provider will be required to use a bilingual online system and promote the use of Welsh Language, , and ensure the option of Welsh correspondence is offered.

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

We will ensure all promotional materials, advertising and marketing campaigns are billginnal, together with the presence of Welsh speaking staff.

We will ensure recruiting managers are aware of the requirement of bilingual adverts and the need for Welsh essential posts.

Consultation and Engagement

What arrangements have been made to consult/engage with equality/ community organisations, especially those who are representative of those you have identified as being likely to be affected?

A face to face stakeholder consultation was held on 13th September 2023, with key partner organisations; a presentation was given on the current contract provision and the proposed recommissioning, followed by round table discussions. Positive comments were received around the current model of delivery, with having a presence in Central Library Hub and the new additional of the Telephone Advice and the 'One Stop Shop' feel of having both Council Services and the Advice Contract Provider located under one roof. Partners also expressed positively at having access to independent advice away from Council Services.

The event encouraged open conversations on what needed to be improved and what would add value to a future contract. Partners expressed the requirement for fully face to face provision, both drop-in and appointment based, in Central Library Hub but also in other accessible locations. Partners also discussed the increased need for more specialist advice for complex cases, with less emphasis on general information and advice. A need for a more efficient referral system/advice pathway also came high on the agenda for partners, as a number found accessing provision confusing and not knowing which service took responsibility for what area of advice.

As a result of these recommendations, a new referral system will be put in place in readiness for the start of the new contract, together with a refreshed triage system to ensure customers are directed to the correct level of support first time. A full Implementation programme will be required from the new provider which will include briefings for stakeholders and council front line staff, along with a joint publicity campaign with Council Services, to raise awareness of the support available. Accessible accommodation for face to face provision will be available to the provider as outlined in the Contract Specification.

Summary of Actions (Listed in the sections above)

	Actions
Age	In addition to the support provided specifically to young people, the Money Advice Team also provides support to working age people and are currently supporting those who will be affected by the Universal Credit Managed Migration. The team will also be carrying out a campaign to raise awareness of the support available during winter months, including Winter Fuel Payments and Warm packs.

	The tender Quality Questions will include a section around how the providers will engage with people of different age groups and what support they will provide to encourage people to seek support.
Disability	Both the Advice Partner and Council Advice Services will work collaboratively to host Advice Roadshows, targeting areas of the city according to need.
Gender Reassignment	N/A
Marriage & Civil Partnership	N/A
Pregnancy & Maternity	N/A
Race	<p>B By fully aligning the Into Work and Cardiff Works teams, there has been some fantastic outcomes for those seeking work. Additional external funding was secured to appoint Community Engagement Officers. Their role is to connect with communities that are under-represented in the current workforce and engage with younger people. The Community Engagement Officers have carried out a programme of events in the Southern Arc of the city, working with community groups to raise awareness of the types of roles available and the support on offer for those who have little or no work history.</p> <p>Several specific BME Jobs Fairs have taken place in local mosques, Grangetown Pavilion and Grange Gardens. From the involvement of the Community Engagement Officers across the Into Work team, and the work with the Race Equality Taskforce, the percentage of BME applicants applying and successfully entering into the Cardiff Works pool has increased from just 7% in June 2021, to 37% at the end of March 2023. Whilst the increase has been welcomed by the whole service, a programme of further engagement events has already commenced to further increase the diversity in the pool.</p>
Religion/Belief	N/A
Sex	N/A
Sexual Orientation	N/A
Socio-economic Impact	N/A
Welsh Language	We will ensure all promotional materials, advertising and marketing campaigns are bilingual, together with the presence of Welsh speaking staff.

	We will ensure recruiting managers are aware of the requirement of bilingual adverts and the need for Welsh essential posts. .
Generic/ Over-Arching (applicable to all the above groups)	N/A

Next Steps

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

Where the Equality Impact Assessment shows negative impacts, you must append the form to the Cabinet or Officer Decision Report.

On completion of this Assessment, please ensure that the whole form is submitted to the Equality Team mailbox so that there is a record of all assessments undertaken in the Council EqualityTeam@cardiff.gov.uk

B: Child Rights Impact Assessment

The aim of a Child Rights Impact Assessment is to put children and young people at the forefront of decision-making. The assessment helps officers to consider how the rights of children and young people may be affected by a proposed policy or project.

Click [here](#) to start a Child Rights Impact Assessment.

You will receive an automated email containing a link to your Child Rights Impact Assessment template and the Child Friendly Cardiff Team will be in contact to support you.

Guidance for Local Government prepared by Unicef is available here:
[Child Rights Impact Assessment - Child Friendly Cities & Communities \(unicef.org.uk\)](https://www.unicef.org.uk/child-rights-impact-assessment-child-friendly-cities-communities)

For further information or assistance in completing the Child Rights Impact Assessment, please contact the Child Friendly Cardiff Team ChildFriendlyCardiff@cardiff.gov.uk

Next Steps

Where it is considered that a Child Rights Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

C: Welsh Language Impact Assessment

Please consult with Bilingual Cardiff for any assistance with completing this assessment
Bilingualcardiff@cardiff.gov.uk

Welsh Language Standards 88-97

Standard 88

Will this proposal have a **differential impact [positive/negative]** on:

	Yes	No	N/A
The opportunities for persons to use the Welsh language?	Y		
Treating the Welsh language no less favourably than the English language?		Y	

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

The Council uses both Cardiff Works and the procured Agency Worker Supplier contract to recruit for agency and temporary workers for Council roles; both recruitment pathways require the same effort in recruiting Welsh speakers for the Local Authority.

Standard 89

Could this proposal be formulated or re-formulated, so that it would have positive effects, or increased positive effects, on:

The opportunities for persons to use the Welsh language?

Cardiff Works provides candidates for temporary placements within the Council. The team are actively seeking potential workers who are able to speak Welsh – and have held dedicated Welsh Speaker recruitment fairs to increase the number of Welsh speakers within the Cardiff Works pool.

All publicity campaigns are bilingual, and do not treat Welsh language documents any less favourably than English language documents.

The new contract holder will be required to use a bilingual online system and promote the use of Welsh Language. The team will ensure that the supply chain under the neutral vendor is aware of the Council's commitment to the Welsh Language, and ensure the option of Welsh correspondence is offered.

Treating the Welsh language no less favourably than the English language?

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Standard 90

Could this proposal be formulated or re-formulated to ensure that it does not have adverse effects, or a decreased adverse effect, on:

The opportunities for persons to use the Welsh language?
As above.

Treating the Welsh language no less favourably than the English language?

Standard 91

When consulting on the proposal, were views considered, and sought, on the effects (both positive and negative) that it would have on:

The opportunities for persons to use the Welsh language?
The Welsh Language Act has been considered when completing the procurement pack; a quality question has been included, as part of the pre-tender report, and has been designed to ensure all tenders submitted guarantee that all online systems, advertising, forms, websites, training and correspondence are bilingual, as well as ensuring that their supply chain also adheres to the standards.

Treating the Welsh language no less favourably than the English language?

Standard 92

Did the consultation seek and give consideration to views on how the proposal could have positive, or increased positive effects, on:

The opportunities for persons to use the Welsh language?
As above.

Treating the Welsh language no less favourably than the English language?

Standard 93

Did the consultation seek and give consideration to views on how the proposal could have no adverse effects, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?
As above.

Treating the Welsh language no less favourably than the English language?

Standard 94

If the proposal includes the awarding of grants, has consideration been given to the guidance presented in Cardiff Council's Policy on Awarding Grants in Compliance with the Welsh Language Standards with regard to:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?

Standard 95

If research was undertaken or commissioned to assist with the development of the proposal, did it give consideration to whether it would have a **differential impact [positive/negative]** on:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?

Standard 96

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have a positive effect, or increased positive effects, on:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?

Standard 97

Did the research undertaken or commissioned to assist with the development of the proposal give consideration to how it could have no adverse effect, or decreased adverse effects, on:

The opportunities for persons to use the Welsh language?
N/A

Treating the Welsh language no less favourably than the English language?

Material and Services

In addition to the impact assessment to ensure that the proposal meets the requirements of the Welsh Language Standards, consideration must also be given to the supporting materials and services that may be required.

These include (please click on the hyperlinks to view detailed information about the requirements under the Welsh Language Standards):

- [Correspondence](#) - receiving and replying (emails, letters, online communication).
- [Telephone](#) – receiving and answering calls.
- [Meetings & Public Events](#) – public meetings or events, group meetings, consultation, individual meetings.
- [Public Messages – electronic – video](#)

- [Signs, Notices & Display Material](#)
- [Publicity & Advertising](#)
- [Producing Public Documents](#) - policies, strategies, annual reports, corporate plans, guidelines, notices, codes of practice, consultation papers, licences, certificates, rules, brochures, leaflets, pamphlets or cards, ticket/vouchers.
- [Producing Forms](#)
- [Reception Services](#)
- [Websites, Apps and Online Services](#)
- [Social Media](#)
- [Self Service Machines](#)
- [Education Training Courses](#)
- [Public Address Announcements](#)

Are all supporting materials and services compliant with the requirements of the Welsh language standards?

Yes, for the Council's Advice Services and the current contract holder; however this will need to be confirmed with the new Supplier at the tender stage.

Cardiff Council's Welsh Language Skills Strategy

This strategy may be viewed here and additional guidance documents have been produced to support its implementation:

- [Assessing Welsh Language Skills and Identifying Welsh Essential Roles](#)
- [Recruitment, Selection, and Interview Procedures and the Welsh Language](#)

Do you have access to sufficient Welsh speaking staff to support the delivery of the proposal in compliance with the requirements of the Welsh language standards?

Yes; 25% of the Advice Services staff-force (including Cardiff Works and the Agency Work Contract) are Welsh Speakers.

Next Steps

Where it is considered that a Welsh Language Impact Assessment is required, you must append the form to the Cabinet or Officer Decision Report.

A copy must also be emailed to Bilingual Cardiff Bilingualcardiff@cardiff.gov.uk

D: Habitats Regulations Assessment

	Yes	No
Will the proposal affect a European site designated for its nature conservation interest*, or steer development towards an area that includes a European site, or indirectly affect a European site?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

** Only two European sites designated for nature conservation interest lie within Cardiff's boundaries – the Severn Estuary and Cardiff Beech Woods, but be aware if your project affects an area close to a neighbouring authority.*

If the answer is 'Yes', then a screening exercise may need to be conducted to determine if a Habitats Regulations Assessment is required or not.

Contact the [Biodiversity Team](#) who will guide you through the process.

E: Strategic Environmental Assessment

	Yes	No
Does the strategy, policy or activity set the framework for future development consent?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Is the strategy, policy or activity likely to have significant environmental effects (positive or negative)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you have answered 'Yes' to both of the above questions, then a full Strategic Environmental Assessment Screening is needed.

Contact the [Sustainable Development Unit](#) who will guide you through the process.

F: Data Protection Impact Assessment

	Yes	No
Will the proposal involve processing information that could be used to identify individuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If the answer is 'Yes', then a Data Protection Impact Assessment may be required.

Click [here](#) to read the guidance and start the Data Protection Impact Assessment process if needed.

For further information, contact the [Data Protection Service](#).

G: Health Impact Assessment

A Health Impact Assessment helps to develop policies and projects that consider the mental, physical and social health and well-being of a population during planning and development. Considering health inequalities and their impacts on local communities is an essential part of any Health Impact Assessment.

Health Impact Assessments will become a statutory requirement for public bodies in specific circumstances in the future. These circumstances have yet to be published by Welsh Government.

For further information and advice, please contact the Wales HIA Support Unit.

Website: [Home - Wales Health Impact Assessment Support Unit \(phwwhocc.co.uk\)](http://phwwhocc.co.uk)

Email: WHIASU.PublicHealthWales@wales.nhs.uk

**CARDIFF COUNCIL
CYNGOR CAERDYDD****CABINET MEETING: 23 NOVEMBER 2023**

ACHIEVING A SUSTAINABLE YOUTH WORK OFFER FOR CARDIFF**TACKLING POVERTY, EQUALITY & PUBLIC HEALTH (COUNCILLOR
PETER BRADBURY & COUNCILLOR JULIE SANGANI)****AGENDA ITEM: 5**

Reason for this Report

1. To consider proposals to achieve a sustainable, resilient Cardiff Youth Work Offer for young people in Cardiff, that responds to emergent need and the challenges that our communities are facing in the shadow of the pandemic, and the cost-of-living crisis.

Background

2. This report draws upon the findings and recommendations of an evidence informed review of Cardiff Youth Service in 2022, designed to inform a strengthened and sustainable delivery model that can support recovery post pandemic. This review was conducted within the context of the national position, and the recommendations of the recent report published by the Interim Youth Work Board for Wales¹. It utilised desk-based research, as well as feedback provided by a range of key stakeholders including the voice of young people.
3. It is also informed by an extensive follow on nine-month appraisal of Cardiff Youth Service, led within the Education Directorate and supported by youth leaders and professionals, community leaders and young people.
4. Cardiff Youth Service provides the Council's Youth Work Offer for young people. A wider range of services for young people are also offered by other teams within the Council, and by partners across the city. The review of the Cardiff Youth Service operating model is the first phase of a wider review of services for adolescents, to achieve the longer-term ambition of delivering an

¹ <https://gov.wales/sites/default/files/publications/2021-09/achieving-a-sustainable-delivery-model-for-youth-work-services-in-wales-final-report.pdf>

effective, integrated model of provision that can respond to the individual needs of young people in Cardiff.

Introduction

5. The Council's Stronger, Fairer, Greener ambitions firmly outline a commitment to improving the lives of the children and young people of the city, in particular to support and protect the most vulnerable. The introduction of the new 'Tackling Poverty, Equality and Public Health Portfolio' specifically states the ambition to respond to the recommendations of the independent review of Youth Services, ensuring that access to the service is available equitably across the city, based on need and is responsive to the different needs of different communities and groups of young people.
6. Throughout the pandemic and more recently, during significantly challenging episodes for young people, such as the disturbances in Ely in May 2023, the Youth Service has proven its value, stepping up to support young people when they have needed it most. This demand for help continues as we wrestle with education recovery, the decline in mental health and well-being, increasing poverty and ongoing societal challenges.
7. In essence, youth work is playing a crucial, multi-faceted role to help address a range of socio-economic, cultural, and personal challenges faced by young people. It is playing a pivotal part in ensuring that the younger generation is well-equipped, supported, and empowered to navigate the challenges of today's world.

Policy Context for Youth Work in Wales

8. Currently, through the Learning and Skills Act 2000, section 123, Welsh Ministers have directed local authorities to provide, secure the provision of, or participate in the provision of youth support services². The Welsh Government is currently reviewing the legislative basis for youth work services, and detailed policy work is currently being undertaken on how to strengthen it.
9. The Interim Youth Work Board (IYWB) (WG 2021) produced its [final report](#) on achieving a sustainable delivery model for youth work services in Wales in September 2021.
10. According to the IYWB (WG 2021), Youth work services provide or facilitate:

² See [Youth Work Strategy for Wales](#)

- Safe spaces, relationships and activities within which young people can thrive and enjoy themselves, feel secure, supported and valued, learn to take greater control of their lives, and be informed and supported to make positive choices.
 - A range of different educational opportunities and experiences, which challenge both the institutions and young people themselves to enhance their personal, social and political development.
 - Access to relevant and trusted advice and information on rights, entitlements and opportunities, thus enabling young people to become advocates of positive change for other young people, their communities and Wales.
11. A Youth Work Strategy Implementation Board has now been established to provide advice to the Welsh Government. The Implementation Board will be expected to work with young people, the youth work sector and the Welsh Government to explore the recommendations further, and to identify appropriate actions and resources for delivery. The Board will run for two years in the first instance.
12. Five Implementation Participation Groups with over 60 representatives from across the sector and beyond, have been established to advise on specific aspects of the Board's work. Cardiff Youth Service is represented on two of these key groups. The primary focus of the Board at present is upon a Funding review, a Legislative review and the development of a Statutory body for Youth Work in Wales.

Organisational Context: Cardiff Youth Service

13. As stated by Estyn HMI in their 2021 report of Cardiff Local Education Authority, 'Cardiff Youth service provides high quality provision in prioritised areas of the city that includes a mixture of open access and targeted work. Young people, in the areas served, are at the heart of service development. Support for young people's emotional health and wellbeing and the effective use of digital platforms are particularly strong aspects of the provision'.
14. Cardiff Youth Service offers a range of programmes and services to support the personal, social, and educational development of young people aged 11 to 25. The service aims to provide young people with opportunities to develop their skills, knowledge, and experiences while addressing the challenges they face. These services and opportunities include:
- **Open Access Youth Clubs and Drop-ins:** To provide safe spaces for young people to socialise, participate in activities, and access support to manage their well-being.

- **Targeted Youth Provision:** To support young people with specific needs, including those at risk of becoming NEET (Not in Education, Employment, or Training), those involved in anti-social behaviour, or those facing other personal challenges.
 - **Digital Youth Work:** To help young people engage with hard-to-reach individuals through online platforms, and also to help young people navigate the issues of the digital age such as online safety and bullying.
 - **Information, Advice, and Guidance:** One to one and group information sessions or workshops on topics such as relationships, health, and careers.
 - **Outreach and Street based Work:** Youth workers engage with young people in various settings outside of traditional youth centres, like parks or streets, to provide support and intervention.
 - **School based Youth Mentoring:** To help young people facing challenges in maintain engagement in their education and learning, and to support access to appropriate curriculum offers, whilst improving attendance and well-being. Every high school can access a Youth Mentor.
 - **Participation and Volunteering:** To give young people opportunities to participate in decision-making processes, contribute to their communities, and develop leadership skills.
 - **Training and Accreditation:** Workshops, courses, and programmes that offer qualifications or certificates in areas that can help young people in their personal and career development.
 - **Special Projects:** Depending on current funding and needs, there are projects that focus on particular areas, such as mental health, substance misuse, exploitation, safeguarding, arts, creativity, young leaders.
 - **Inclusive Support for Vulnerable Groups:** Specific provisions exist to support vulnerable or marginalized groups, such as young LGBTQ+ individuals, those with Additional Learning Needs, those with disabilities (e.g., the Deaf Club), young carers and care experienced young people.
 - **Access to Events, Outdoor and Adventure Activities:** To build aspirations, resilience, teamwork, and leadership skills among young people.
15. The majority of Cardiff Youth Service provision is geographically positioned within the Southern Arc of the City, where there is a concentration of deprivation and with approximately 35,500 children and young people living within the geographical area, (Cardiff 2030). It is important, however, to recognise that there are other pockets of deprivation situated within affluent post codes that also suffer from the impact of poverty.
16. There are currently seven Open Access Youth Work centres within targeted areas of the city, each led by a Senior Youth Officer, with links to a Youth Action Group (which is a collection of youth support services in each area). Some of these centres are sited in dedicated Youth Service buildings:

- North Ely Youth Centre (with some satellite provision in Caerau)
- Eastmoors Youth Centre
- Gabalfa Youth Centre
- Grassroots City Centre provision

Whilst others share a space in a Local Authority Hub:

- St. Mellon's Youth Den (dedicated space and access to shared facilities)
- Butetown Youth Services (booked access to shared facilities)
- The Powerhouse, Llanedeyrn (dedicated space and access to shared facilities).

17. Seven other thematic teams also exist, with a city-wide remit, each led by a Senior Youth Officer:

- Welsh Language Team
- Active Involvement Team
- Street-based and Mobile Provision
- Emotional Health and Well-Being Team
- Post 16 Team
- Digital Youth Work Team
- Inclusion Team

18. Additional youth provision across the City is funded via annual Youth Innovation Grants totalling £240,000, offered to Third Sector Groups, to increase provision in areas where the Local Authority offer is limited or has been withdrawn. There provisions are led by:

- Cathays & Central Youth and Community Group
- The Urdd (city wide and within the 3 Welsh medium secondary schools)
- YMCA, Plasnewydd
- South Riverside Community Development Centre
- Ministry of Life (Tremorfa, Gabalfa and Pentwyn)

19. In response to the increasing demand for Youth Work provision this year, the Youth Service has also:

- Commenced extended outreach provision in the communities of Radyr and Fairwater.
- Opened a fortnightly Youth Club, for a ten-week pilot, in partnership with the Police & Crime Commissioner at Channel View Leisure Centre.
- Delivered an extensive summer programme of activities for young people across the city.

- Recently agreed a six-month period of partnership work with the Home Office to enhance Street based youth work presence in Anti-Social Behaviour hotspots.

Key Findings and Recommendations of the Independent Youth Review (June 2022)

20. The review identified significant gaps in provision within certain geographical areas across the city, confirming that it is currently unfeasible for Cardiff Youth Service to deliver universal and targeted provision for all young people using current resources. It confirmed that a one-size-fits-all description of what services should look like on the ground is of limited value and that instead the provision offered should be dependent upon the identified needs of young people and communities.
21. It was recommended that the local authority adopts a strategic approach to developing a sustainable and balanced delivery model for both universal and targeted support for young people across the city, to include a mapping of all provision in geographical areas, as part of a five-year strategic plan, to inform and capture all providers and determine whether provision is sufficient to meet the needs of young people. In the interim, it was recommended that a short-term strategy is devised to deliver pop up and road show provision, within the geographical areas without any or significantly reduced provision.
22. The review highlighted the current reliance on external funding (over 50% of the budget) and the potential risk to the sustainability of such external grant funding in the current economic climate. It recommended that a risk analysis of current funding is conducted to determine levels of risk and prioritise most effective use of resources, to strengthen and protect services provided to the most vulnerable young people.
23. Significant emphasis within the review was placed upon workforce terms and conditions, sufficiency, and qualification levels. The review recommended the recruitment of a Workforce Development Officer to support recruitment and retention, continuous professional development, workforce planning and to enable compliance with the conditions of the Education Workforce Council for qualification and registration at specified levels, according to role.
24. The review identified the need to improve professional advocacy and the profile of the Youth Service, and to ensure that there is a clear understanding of the unique role and value of Youth Work. It was recommended that a designated senior officer within the Education Directorate should have sole responsibility of the Youth Service, and that they should have a significant understanding of

contemporary youth and community work and be able to professionally advocate on behalf of Cardiff Youth Service.

25. The review commended work already undertaken by Cardiff Youth Service to enable accessibility to Welsh Language and Bilingual Youth provision, via the development of a multi-lateral partnership with Menter Caerdydd and Urdd Gobaith Cymru.
26. Whilst recognising the successful work of the Youth Service in promoting equality, inclusion and diversity, the review recommended that as the five-year strategy is developed, that in partnership with the Child Friendly Cardiff team, the service should allocate adequate resources to continue to capture and respond to the voice of young people across the city.
27. A key aim of the review was to consider the integration of the Youth Service with wider youth support services and to encourage more collaborative work with schools, with education being an integral pillar of youth work. The incidence of services working in silos in some cases was highlighted, along with a lack of alignment to the Community Focused Schools agenda. At this stage, opportunities for improvement have not been fully explored. The need for a broader medium term review of all services for adolescents in the authority is recognised and will progress during the year ahead.

Responding to Young People’s Needs

28. Youth work is consistently essential, but its significance in Cardiff at this moment in time, in guiding, mentoring, and supporting young people should not be underestimated. Young people are facing unprecedented challenges, which is presenting in evidence from schools such as low attendance, persistent absence, rising exclusion figures, an increasing dependence upon part time education plans to support engagement and well-being, and increasing numbers of young people choosing to be educated at home.

KPIs	19/20	22/23
Secondary Attendance	93.18% (<i>when schools closed in March 2020</i>)	88.2%
Secondary Persistent Absence • % pupils with less than 50 % attendance	Not collected	3.85% (774 pupils)
Secondary Exclusions: Number of Days Lost	1173.5	3421.5
Secondary Exclusions: Number of Days Lost per 1000 pupils.	50.35	146.81
Number of Secondary Pupils EHE	163 (Jan 2020)	295 (Oct 2023)

29. There is a documented rise in mental health issues among young people, and complex social issues such as substance misuse, peer pressure, poverty, family breakdowns, cultural tensions, anti-social behaviours, worklessness and housing issues, all add to the challenges faced. Youth workers, and youth spaces can offer safe environments and mentorship, helping young people to cope and navigate these complex situations. Youth work can also help foster resilience by offering opportunities for young people to learn, grow, face challenges, and bounce back from setbacks.
30. Placing youth work at the heart of our communities will enable young people to access trusted adults, with a continuum of support and familiarity at school and after school via regular open access sessions, targeted programmes, and via initiatives which respond to need outside the school day and during school holidays.

Outline Proposals for Change

31. In order to respond to the recommendations of the external review, the pressing issues affecting workforce deployment and EWC registration, and the increasing demands upon the Youth Service to respond to young people's needs post pandemic, a refreshed operating model for the Cardiff Youth Service is proposed, for implementation by April 2024. These proposals recognise that in the medium to longer term, further work will be required to fully understand and reshape the full range of Services for Adolescents being offered and/or commissioned by the Council to maximise service efficiency and effectiveness.
32. The vision aspired to, and the principles that will underpin the new operating model, seek to place operations on a firmer footing, with strengthened Service leadership, robust governance and performance management, parity of terms and conditions for staff, clear accountability for individual communities of need and dedicated resourcing to ensure that the most vulnerable young people can secure support.

The Vision and Operating Model – 'What we want to achieve'.

33. We aim to achieve a sustainable, impactful, high quality Youth Work Offer in the city, with strong locality teams at the core, to respond to the unique needs of the individual communities that they serve. These locality teams would be sited in the areas of highest deprivation, building on the existing Cardiff Youth Service offer and would work closely with wider services for young people in their areas.

34. Each of the Locality teams would offer:
- Universal Open Access Youth Club Provision, including during school holiday periods.
 - Targeted group work for the young people that need it the most.
 - A Street Based offer to support the hardest to reach young people.
 - Supervisory capacity to lead existing Inclusive Youth Groups in their geographical area (even if these serve a city-wide membership), to ensure that all current Inclusive Groups are maintained.
 - Youth support workers which work between the local secondary schools, EOTAS providers and community-based youth provisions, to provide one to one support and mentoring to young people and contribute to other locality offers.
 - A Youth Action Group, led by the Senior Youth Officer to bring together partners at a local level to co-ordinate needs analyses and planned partnership responses.
35. The Locality Teams would be supplemented by two thematic teams:
- A Welsh Language team to continue to build the Welsh Medium Youth Work Offer in partnership with Menter Caerdydd and the Urdd.
 - A Digital Youth Work team that will take responsibility for extending youth work via digital platforms, the Youth Service website and leading upon all promotion and marketing of services offered in partnership with the Corporate Communications team.
36. A City Centre Youth team would also continue to operate at the Grassroots location, but the offer would be modelled differently to respond to the demands of young people in the city centre environment, including those at risk of homelessness, or in crisis. This team would work in close partnership with other multi agency support service providers to respond effectively to complex needs.
37. The size of the locality teams and the number of teams could be scaled up or down to respond to presenting demand across the city. However, reach into new areas of operation will be dependent upon affordability, and the youth service being able to secure appropriate operating spaces.
38. In order to achieve this, in the short term, we propose to deliver:
- Enhanced strategic leadership of the Youth Service, through the appointment of a Principal Youth Officer, supported by two Youth Service Managers.

- A new Performance, Governance and Administrative Support team, to improve all aspects of corporate governance in the service, in particular financial and performance management, and greater accountability for outcomes for young people.
- A Workforce Development Strategy, led by a new Workforce Development Officer to enable compliance with Education Workforce Council registration requirements, to aid recruitment and retention, and to improve opportunities for continuous professional development in accordance with the National Occupational Standards for Youth Work in Wales.
- A more agile, responsive workforce, available 52 weeks of the year with parity of terms and conditions, enabling services during school holiday periods.
- A sustained focus upon Youth Engagement & Progression, refocusing the use of the Vulnerability Assessment Profile in secondary schools, and within EOTAS settings to ensure pupils in Years 10 and 11 of their secondary education are closely tracked, monitored and supported in the lead up to Post 16 transition.
- A new referral pathway to enable 1:1 youth work support to be requested for any young person, via a central triage and allocation point, enabling allocation of support from the locality team serving their area of residence. Support for Children Looked After will be prioritised. Youth workers would also aim to support young people being 'stepped down' from statutory services, such as Youth Justice Services.

Over time, this centralisation of intelligence will enable a much greater understanding of need and will contribute to the future integration of referral pathways across the Council, to enable one point of entry to targeted support from the broader range of services for young people.

- An improved Cardiff Youth Service Website and Information Service, to provide easily access to the services on offer.
- An improved Youth Work Curriculum Offer, which explores opportunities to re-introduce access to informal and non-formal activities that offer greater experiential learning, including Outdoor Education, Adventure, Exchanges, and the Duke of Edinburgh Award.
- Improved Service Level Agreements with any third-party accessing Youth Innovation Grants from the Council, which clearly set out the standards of service expected and the impact to be achieved.
- Improved youth work environments within core buildings ensuring that all essential maintenance works to address any health and safety concerns are completed without delay.

39. Once these fundamental changes have been implemented, we propose to commence the development of a Five-Year Youth Work Strategy for Cardiff, which would include a defined approach to the designation of a variety of 'Youth Work spaces' across the city.

40. This Youth Work Strategy would form part of a wider integrated corporate strategy for 'Services for Adolescents', whereby we would actively seek opportunities to integrate youth work with wider citywide developments such as Community Focused Schools, Sustainable Communities for Learning, shared Multi-use Community Hubs, Play, Community Safety & Inclusion, Violence Prevention, Early Help & Family Support, Into Work & Advice Services, Adult Learning and Council Place Making strategies.

Key Principles

41. The key principles underpinning the proposed operating model are:
- Young people's engagement with services will be voluntary, starting at whatever point they are in their lives, regardless of circumstance, to promote a sense of belonging, self-worth, aspiration, pride and citizenship.
 - Youth work will have at its core the importance of providing safe environments and spaces for young people, to support their safety and well-being at all times.
 - Young people have the right to access youth work through the mediums of English and Welsh.
 - Youth work will be delivered by professionals qualified in accordance with the expectations of the Education Workforce Council, from Level 3 to Degree qualified.
 - Staff will benefit from progression pathways through the service, with roles defined at a sequence of levels, complemented by opportunities to join the service as a volunteer, trainee or apprentice, and to secure placements through partnership with degree providers.
 - Youth work leaders will enable and encourage strong partnership and collaboration at a Locality level, to optimise the knowledge, skills, experiences and resources of others – for example, Community Hubs, the Third Sector, Leisure & Recreation providers and Neighbourhood Policing teams.
 - Youth work resources will be deployed carefully to ensure that youth workers fulfil roles that most need their skills and aptitude, to achieve greatest impact.

- Meaningful participation, equality and inclusion will be paramount across the service, and will be considered a priority for all, not only for singular themed teams.
- Where it is necessary to maintain dedicated, thematic, inclusive youth clubs, to respond to the needs of discrete targeted groups, these will continue. Good practice will be shared across the service.
- Children Looked After will be prioritised in any request for one to one youth work support.

Changes to the Existing Model of Provision

42. To achieve the desired shift to the new Operating Model, the following existing practices would need to change:

- **Street based Youth Work** – would be embedded in locality teams, led by the locality Senior Youth Officer and where appropriate will complement other frontline engagement services offered by services such as neighbourhood policing and community inclusion teams.
- **Emotional Health & Well-being** – practice would be embedded in locality teams, with all teams offering youth work led projects to support young people’s emotional health and wellbeing.
- **Inclusion** – existing ‘inclusive youth clubs’ would be managed by the locality team within the geographical area in which they operate. For example, the ‘Deaf Club’ would be managed by the East Locality Team. All locality teams would be expected to deliver inclusive practice across the wider range of services they offer.
- **Active Involvement** – as a key pillar of youth work, all teams would be expected to be fully trained in Participation standards and Children’s Rights, to promote the meaningful engagement of young people in governance and curriculum. The Child Friendly Cardiff Team would retain leadership of the Cardiff Youth Council, to ensure this is strategically utilised across the Council, and would provide any Rights or Participation based training required by the Youth Service workforce.
- **Post 16** – the management of Careers Wales 16 – 18 NEETS data and the allocation of youth mentoring support would continue in accordance with the requirements of the Welsh Government Youth Engagement and Progression Framework. Where possible, referrals for Post 16 youth mentoring support, for those ready to enter the Labour Market, would be signposted to Into Work Services. The Youth Service would seek to provide the more intensive support to young people who are not ready to move into education, employment or training due to complex barriers and challenges in their lives.

- The Youth Service would no longer manage the entire Vulnerability Assessment Profile (VAP) for children and young people. Responsibility for the ongoing development and deployment of this tool would be considered by the Children & Young People's Board, to explore join up with the 'Single View of a Child' developments in the Corporate Centre. This would ensure that a wider perspective of the presenting needs of children and young people can be considered by a wider range of services, with a joined-up and co-ordinated Council wide response.
 - Senior Youth Officers would be expected to collaborate to manage shared challenges and opportunities across the service, with Senior Youth Support Workers developing areas of expertise in certain practice, to drive innovation and change across the service and build capacity.
 - Staff contracts will be reviewed to enable services to be delivered more flexibly over 52 weeks of the year, instead of 44 weeks (term time only).
43. The desired outcome of the above changes would be a more robust, resilient, and responsive service, enabling a more efficient and effective service to be provided to young people, in particular the most vulnerable. All changes would be managed through the Council's Management of Change process.

Financial Implications

44. The report sets out the new Youth Services operational model aspirations following the Youth Review and its subsequent recommendations. Underpinning the operational model are key principles, of which their implementation will likely have revenue financial implications. Their implementation will require appraisal of different delivery options, and detailed financial implications verified by finance will need to be authorised following sufficient oversight from appropriate levels of management across the authority. The implementation of the model will need to be within future financial parameters, which will be set out as part of the budget setting process for 2024/25.

Legal Implications (including Equality Impact Assessment)

45. The report sets out a number of general proposals and aspirations. Legal advice should be sought with regards any specific proposals as and when developed and prior to proceeding.

Equality Duty:

46. In considering this matter, the Council must have regard to its public sector equality duties under the Equality Act 2010 (including specific Welsh public sector duties). This means the Council must give due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.
47. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers ([WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 \(gov.wales\)](#)) and must be able to demonstrate how it has discharged its duty.

Well Being of Future Generations (Wales) Act 2015

48. 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.
49. In discharging its duties under the Act, the Council has set, and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2023-26. When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
50. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
 - Look to the long term.
 - Focus on prevention by understanding the root causes of problems.
 - Deliver an integrated approach to achieving the 7 national well-being goals.
 - Work in collaboration with others to find shared sustainable solutions.

- Involve people from all sections of the community in the decisions which affect them.

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

General

51. The decision maker should be satisfied that the decision is in accordance with the financial and budgetary policy and represents value for money for the council. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards. With regards any contracts and/or grants, the client department should comply with any relevant rules and procedures, including but not limited to contract procedure rules and associated legislation.

Child's Rights Impact Assessment

52. The Child's Rights Impact Assessment of the new operating model is largely positive. Adapting the Youth Work model to local neighbourhoods enhances its effectiveness by addressing the unique characteristics of each community. This approach can have a positive and lasting impact on young people's rights, contributing to their holistic development and well-being. Localised and community-centred approaches to youth work can be particularly effective in addressing the specific needs, challenges, and opportunities that young people face in their immediate surroundings.
53. The Council will, however, need to ensure that the new arrangements, once fully established, deliver a fair and equitable allocation of resources that enable young people throughout Cardiff to access Youth Service support, appropriate to their needs. Consultation with young people will continue throughout the development of this new model.

HR Implications

54. The reorganisation of the Youth Service is being recommended to develop a sustainable and balanced delivery model, to ensure that there is a skilled, engaged, and diverse workforce in order to deliver the service and priorities within the Youth Service as set out in paragraph 37 of the report. The report sets out how the proposals will achieve the required change in a structured and planned approach in a fully consulted way.
55. A full consultation with staff and trade unions would need to take place following the agreement of this report. Full support would be offered to staff and managers by HR People Services throughout the reorganisation of the Youth Service. This would involve guidance for Senior Managers on the process.

agreed timescales, attendance at consultation meetings, meetings with staff where appropriate and managed within the Councils HR Policies and Procedures and the provision of FAQs to Staff.

56. Where possible existing staff would resource the reorganised Youth Service structure, which ensures that skills and knowledge are retained and offers development opportunities to existing staff.
57. A key aspiration for the Council is to achieve staff reductions as far as possible through redeployment rather than voluntary or compulsory redundancies. Therefore, the Council is committed to maximising opportunities for staff to secure employment in other areas of the Council, through redeployment into required vacancies in Directorates.

Property Implications

58. There are no specific property implications in respect of the 'Achieving A Sustainable Youth Work Offer For Cardiff report'. Where there are any associated property management matters, acquisitions or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with Strategic Estates and relevant service areas.

Reason for Recommendations

59. The following recommendations are made to ensure that Cardiff Youth Service can respond efficiently and effectively to the increasing demands for support for young people at a community level and meet all legislative requirements for Youth Work in Wales.
60. Implementation of the new operating model will build solid foundations for the service to integrate as an important core component of a broader range of services for adolescents in the medium to longer term.

RECOMMENDATIONS

Cabinet is recommended to:

1. Agree the proposed vision, principles, and new operating model for Cardiff Youth Service.
2. Endorse the proposed focus upon locality working, to strengthen and integrate youth work disciplines in a locality area, ensuring that teams are responsive to the needs of the community that they serve.

3. Note that the Director of Education and Lifelong Learning will provide updates to the relevant Cabinet Member(s) on the delivery of the actions identified within the report, including assurance that resources are appropriately prioritised to address the needs of the most vulnerable and at-risk children and young people.

4. Note that senior managers will provide updates to the relevant Cabinet Member(s) on the work being undertaken to integrate the Cardiff Youth Service more effectively with wider services for adolescents.

SENIOR RESPONSIBLE OFFICER	Melanie Godfrey Director of Education & Lifelong Learning
	17 November 2023

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