
DRAFT CORPORATE PLAN 2017-2019 AND BUDGET PROPOSALS 2017-2018

Reason for the Report

1. To provide Members with context for the scrutiny of those sections of the Council's draft *Corporate Plan 2017 - 2019* and draft *Cabinet 2017/18 Budget Proposals* that relate to the Portfolios and Directorates falling within the remit of this Committee.

Background

2. The Council's constitution allows for all Scrutiny Committees to scrutinise the draft budget proposals prior to their consideration by Full Council. The Committee's consideration of the budget will allow Members to feed its comments or recommendations to the Cabinet when it considers the draft budget proposals on 16 February 2017. The proposals will then be presented to Full Council on 23 February 2017.
3. The scope of the scrutiny is as follows:
 - The relevant sections of the *Corporate Plan 2017-2019*, in terms of aims & priorities, actions and monitoring of implementation of these;
 - The relevant Budgetary Proposals in terms of their alignment with the *Corporate Plan* – to test whether they support delivery of the aims and priorities detailed in the *Corporate Plan*; and
 - The relevant Budgetary Proposals in terms of potential impact on service delivery, service users and citizens of Cardiff.

Structure of the papers

4. Attached to this report are a series of appendices which will aid Members in their scrutiny of the budget proposals:

- Appendix A:** Draft Corporate Plan 2017 – 2019
- Appendix B:** 2017-18 Directorate Budget Savings
- Appendix C1:** Controllable Budget – Economic Development
- Appendix C2:** Controllable Budget – City Operations
- Appendix C3:** Controllable Budget – Communities, Housing and Customer Services
- Appendix D:** 2017-18 Financial Pressures
- Appendix E1:** Capital Programme 2017/18 – 2021/22
- Appendix E2:** Capital Resources 2017/18 – 2021/22
- Appendix F:** Financial Resilience Mechanism
- Appendix G:** Post Consultation Changes
- Appendix H:** Employee Implications of Budget
- Appendix I1:** Fees and Charges - General
- Appendix I2:** Fees and Charges - HRA
- Appendix I3:** Fees and Charges – Outdoor activities
- Appendix J:** Changes for Cardiff – Consultation Report.

5. Throughout the appendices, the following colour coding is used:

Shaded pink – City Operations Directorate proposals, which all fall within this Committee’s terms of reference;

Shaded yellow - Communities, Housing and Customer Service Directorate proposals that fall within this Committee’s terms of reference;

Shaded green – Economic Development Directorate proposals that fall within this Committee’s terms of reference;

Shaded blue – Resources Directorate proposals that fall within this Committee’s terms of reference.

The lines that are greyed out in these documents fall under another Scrutiny Committee’s terms of reference and will be scrutinised by them accordingly.

Structure of Meeting

6. The meeting will be structured by Directorate, with Cabinet Members and officers invited to attend the Committee and present their sections of the Corporate Plan and Cabinet Budget Proposals 2017/18 that fall under their area of responsibility.

The meeting will be structured as follows:

- Corporate Overview;
- Resources Directorate;
- Economic Development Directorate;
- City Operations Directorate;
- Communities, Housing & Customer Services Directorate.

7. The following Cabinet Members and officers have been invited to attend the Committee Meeting to present their relevant sections of the Corporate Plan and Draft Budget Proposals, and to answer Members' questions:

- Cllr Phil Bale – Leader, Economic Development & Partnerships;
- Cllr Graham Hinchey – Cabinet Member, Corporate Services & Performance;
- Cllr Peter Bradbury – Cabinet Member, Community, Development, Co-operatives & Social Enterprise;
- Cllr Dan De'Ath – Cabinet Member, Skills, Safety, Democracy & Engagement;
- Cllr Bob Derbyshire – Cabinet Member for the Environment;
- Christine Salter – Corporate Director, Resources;
- Neil Hanratty – Director, Economic Development;
- Andrew Gregory – Director, City Operations; and
- Sarah McGill – Director of Communities, Housing & Customer Services;

8. Cllr Graham Hinchey and Christine Salter have been invited to open the meeting with an overview of the final Welsh Government settlement and the Council's finances.

Summary of Draft Corporate Plan 2017 – 2019

9. The draft Corporate Plan attached as **Appendix A** sets out the aspirations for the Council for the next three years. It sets out how the Council will to deliver the vision of ‘becoming Europe’s most liveable capital city.’ Seven partnership outcomes are identified to achieve this vision. These are:

- People in Cardiff are Safe and Feel Safe;
- People Achieve their Full Potential;
- Cardiff has a Prosperous Economy;
- Cardiff is Fair, Just and Inclusive;
- People in Cardiff are Healthy;
- Cardiff is Clean and Sustainable;
- Cardiff is a Great Place to Live Work and Play.

10. The draft Corporate Plan 2017-2019 sets out Cardiff’s contribution to delivering those seven outcomes by setting out the aspirations for the Council for the next three years, and identifying four Priorities as follows:

- Better education and skills for all;
- Supporting vulnerable people;
- An economy that benefits all our citizens;
- Working together to transform services.

Each priority is underpinned by a series of Well-being Objectives and Commitments intended to support the achievement of the Council’s vision.

Page 9 of **Appendix A** provides a visual demonstration of how each commitment delivers against the National Well-being goals, as identified in the Well-being of Future Generations (Wales) Act 2015.

11. The Well-being of Future Generations (Wales) Act 2015 identifies national well-being goals for Wales and requires Cardiff’s Public Services Board to produce a Well-being Plan for Cardiff, based on a Well-being Assessment. The Well-being

Assessment, in the form of the Cardiff Liveable City Report is currently out to consultation.

12. This Cover Report considers the sections of the Corporate Plan 2017-2019 and Budget Proposals 2017/18 relevant to this Committee terms of reference. This is split by directorate and will highlight the priorities and improvement objectives (starting paragraph 24).

Summary of Budgetary Position

13. As at 10 February 2017, the Council finds itself with a funding shortfall of approximately £16.889 million for 2017/18 before savings and new pressures have been accounted for. The shortfall comprises of:

Funding Gap	£000
Resources required	598,261
Resources available	581,372
Shortfall before savings and new pressures	16,889

14. The resources available to finance the budget before any increase in the rate of Council Tax are made up as follows:

Total Resources Available	£000
Resources from WG	428,217
Council Tax (at nil increase)	151,655
Use of reserves to support the budget	1,500
Total Resources Available	581,372

15. The following table summarises the resources required to cover base expenditure, commitments and budget realignments.

Total Resources Required	£000
2016/17 adjusted base budget (after transfers)	578,846
New Responsibilities (per settlement)	1,278
Employees (pay awards, increments, NI etc.)	2,916
Demographic pressures	4,610
Commitments	840
Directorate expenditure and income realignments (net)	2,699
Special inflation	2,507
Schools non-pupil number growth (net)	4,565
Total Resources Required	598,261

16. In addition to the budget shortfall of £16,889,000, the Council has identified new directorate pressures of £4,638,000, bringing the shortfall to £21,527,000. Overall savings of £17,007,000 have been identified, resulting in £4,520,000 to be raised from additional Council Tax, as set out below:

Budget Shortfall	£000
Shortfall before directorate pressures and savings	16,889
New directorate pressures	4,638
Sub total	21,527
Less	
Total Savings	(17,007)
Net amount to be raised from additional Council Tax	4,520

17. Overall savings proposals have been identified, and are split as follows:

Funded by	£000
Directorate savings	13,264
Addressable spends savings	3,743
Total Savings	17,007

18. In terms of the Directorate savings proposals of **£13.264** million:

- **£4.872 million** are savings from **employee costs**;
- **£8.739 million** are saving from **other spend**; and
- **£3.405 million** from increased **income**.

19. To enable the Committee to understand the prioritisation of proposed consultation savings across Directorates, the table below sets out the level of savings proposals as a percentage of overall consultation budgets for each Directorate:

Total Savings by Directorate	Employee £000	Other £000	Income £000	Total £000	Per Cent
City Operations	0	695	494	1,189	9%
Communities, Housing and Customer Services	120	754	209	1,083	8.1%
Corporate Management	0	84	0	84	0.6%
Economic Development	269	542	1,359	2,170	16.3%
Education and Lifelong Learning	782	605	984	2,371	17.8%
Governance and Legal Services	0	102	0	102	0.7%
Resources	511	503	254	1,268	9.5%
Social Services	340	4,657	0	4,997	38%
Directorate Savings	2,022	7,942	3,300	13,264	100%

20. Details of the Directorate Savings Proposals are shown at **Appendix B**. These proposals provide risk analysis information in terms of residual risk, achievability and Equality Impact Assessment. Where a screening identifies a red or red/amber risk a full Equality Impact Assessment is undertaken. Members can view these at:

<https://www.cardiff.gov.uk/ENG/Your-Council/Council-finance/Council-Budget/2017-18/Equality-Impact-Assessments-2017-18/Pages/default.aspx>

Directorate Controllable Budgetary Analysis

21. The Directorate Controllable Budgetary Analysis sheets are attached at **Appendices C1, C2 and C3**, and provide current year information by service divisions within the Directorates. Each line is coded alphabetically (on the far left) and the letters correspond to the 'cross-reference' column on the Savings Proposals spreadsheet.

Financial Pressures 2017-18

22. **Appendix D** shows the Financial Pressures identified for 2017/18, these total to £4.638 million. None of these Financial Pressures fall within the remit of this Committee's Terms of Reference.

Council Capital Programme 2017/18 to 2021/22

23. The 2017/18 budget outlines capital expenditure proposals of **£373.076 million** for the financial years 2017/18 to 2021/22, of which £143.049 million is earmarked for 2017/18. The full Capital Programme 2017/18 - 2021/22 can be found at **Appendix E1**, with the schemes relevant to this Committee highlighted according to the following colour scheme:

Shaded pink – City Operations Directorate

Shaded orange - Communities, Housing and Customer Service Directorate

Shaded green – Economic Development Directorate

Appendix E2 summaries this Capital Expenditure into broad headings.

Economic Development Directorate

24. Cllr Phil Bale (Leader, Economic Development & Partnerships) and Cllr Peter Bradbury (Cabinet Member, Community Development, Co-Operatives and Social Enterprise) will be in attendance. They will be invited to give a short statement on the sections of the *Corporate Plan* relevant to their Cabinet Portfolio falling under Economic Development, the Budget savings proposals, and any key information raised through the *Changes for Cardiff* consultation exercise. Cabinet Members will be joined by Neil Hanratty (Director of Economic Development) who will provide a presentation on the Corporate Plan, Budget Proposals and Consultation Results for the Economic Development Directorate relevant to the Committee's terms of reference.

Draft Corporate Plan 2017-2019

25. The draft *Corporate Plan* set out the key issues, priorities, resources and most importantly outcomes for the Council. Below is a summary of the Priorities and Well-Being Objectives relevant to the Economic Development Directorate.

Priority 3 – An Economy that benefits all our citizens

(Page 33 – 43 of **Appendix A**)

26. The draft *Corporate Plan*'s third priority is "An economy that benefits all our citizens". The Plan states;

"Achieving our vision will mean continued improvement in Cardiff's business infrastructure and support, alongside an enhanced approach to supporting people – particularly young people – into work, education and employment. This must be aligned to maintaining Cardiff's position as one of the best British cities for culture and leisure, particularly as the city grows over the coming decade. Given Cardiff's pivotal role in the city-regional economy, the City Deal and emerging city-regional approach to economic development, spatial planning and transportation will be increasingly important."

“Partnership working will be central to delivering an economy that benefits all our citizens: with the business community; the city’s universities; local authorities in the Capital Cardiff Region; the Welsh and UK Governments; and most importantly of all, with the citizens of Cardiff.”

27. This Priority has four Well-Being Objectives that the Council wishes to achieve:

- 3.1 Cardiff has more and better paid jobs.
- 3.2 Cardiff has a high quality city environment where population growth and transport needs are managed sustainably.
- 3.3 All young people in Cardiff make a successful transition into employment, education or training.
- 3.4 Ensure high quality and sustainable provision of culture, leisure and public spaces in the city.

28. In order to achieve these objectives a number of commitments are identified, alongside the Lead Cabinet Member responsible for their delivery, which in this case are all allotted to Councillor Phil Bale. Included below are commitments relevant to this Committee terms of reference:

3.1 Cardiff has more and better paid jobs

- Facilitate jobs growth by working with partners to deliver 300,000 square feet of Grade A office accommodation within Central Square by March 2019.
- Work with partners to deliver the Cardiff Capital Region City Deal.
- Progress delivery of an Indoor Arena to attract visitors, overnight stays and increase visitor spend.
- Commence delivery of International Sports Village phase 2 by 2018.
- Support growth in creative industries sector through the development of creative hubs.
- Develop an integrated approach to the management of the city centre with the business community with the Business Improvement District.
- Implement the Tourism Strategy with a view to attracting more visitors to the city who stay longer and spend more by March 2018.

- Undertake a detailed feasibility study as the basis for securing investment to enable the maintenance and refurbishment of City Hall.
- To develop a revised International Strategy for Cardiff in 2017/18 reflecting implications of and opportunities from last year's referendum decision for the UK to leave the EU.

The measures identified to achieve these commitments can be found summarised on **page 68 of Appendix A**.

3.2 Cardiff has a high quality city environment where population growth and transport needs are managed sustainably

The commitments given for this Improvement objective do not directly link to the Committee terms of reference; however the following will have an inevitable impact in terms of economic growth and regeneration in Cardiff and the wider Capital City Region:

- Work with developers, transport operators and businesses to deliver a new central transport interchange in Capital Square on agreed programme. **(Lead Cabinet Member – Cllr Ramesh Patel)**
- Work with Welsh Government, regional partners and the transport industry to progress proposals for the Cardiff City Region Metro as part of the City Deal. **(Lead Cabinet Member – Cllr Ramesh Patel)**
- Work with partners on developing a public, on street, cycle hire scheme with hire stations at key locations throughout the City. **(Lead Cabinet Member – Cllr Ramesh Patel).**

The merits of these commitments will be tested by the Environmental Scrutiny Committee as these are predominantly Transport initiatives.

3.3 All young people in Cardiff make a successful transition into employment, education or training

The commitments here fall under the responsibility of the Children and Young People Scrutiny Committee.

3.4 Ensure high-quality and sustainable provision of culture, leisure and public spaces in the city

- Work in partnership with Cardiff University to deliver the Creative Cardiff initiative (**Lead Cabinet Member - Cllr Phil Bale**).

The remaining commitments under this Objective fall under the City Operations Directorate. Some of these are the responsibility of this Committee (outlined in Paragraph 34) and the remainder will be scrutinised by the Environment Scrutiny Committee.

Draft Budget Proposals and Capital Programme

29. This section of the report provides the Committee with an opportunity to consider the draft Cabinet budget proposals for the Economic Development Directorate and their alignment to the sections of the draft *Corporate Plan 2017-2019* which relate to this Committee's terms of reference. The proposals contain following key documents which are appended to this report:

- **Appendix B: Directorate Budget Savings Proposal Summary** –This table provides a detailed analysis of the budget savings proposed for the Council, also shown is the risk analysis for each proposal. The proposals falling within the terms of reference of this Committee under the Economic Development Directorate are shaded **green**.

The savings proposals within this Committee's terms of reference total to £1,123,000 and cover the following areas:

- Line 28:** Increase in Income – Economic Development - £178,000.
- Line 29:** Increase in Income – Tourism - £56,000.
- Line 30:** Increase in Income – Culture, Venues and Events Management - £473,000.
- Line 45:** St David's Hall - £215,000.

Line 46: New Theatre - £201,000.

These savings are broken down into the following categories:

Category	Saving
Employee costs	-
Other spend	£416,000
Income	£707,000
Total	£1,123,000

- **Appendix F: Financial Resilience Mechanism** – This table identifies one-off allocations of finance to undertake work listed. The following falls under the Economic Development Directorate (highlighted **green**):
 - Cardiff Market partial roof refurbishment - £300,000.
- **Appendix G: Post Consultation Changes** – This table identifies changes made following the Changes for Cardiff Consultation. The following falls under the Economic Development Directorate (highlighted **green**):
 - Cardiff Capital Region City Deal (Revenue Contribution) - £150,000.
- **Appendix H: Employee Implications of Budget** – This table provides a summary of the impact on posts across the Council. The employee implications of savings proposals within Economic Development are highlighted **green** (line 6). This amounts to a 0.40 reduction in full time equivalent posts.
- **Appendix E1: Capital Programme 2017/18 – 2021/22** – Highlighted in **green** are the proposed projects that fall under the Economic Development Directorate:
 - **Ongoing Schemes** – Lines 41, 42, 43, 44, 45, 46, 49
 - Central Square - Public Realm - £7,620,000
 - Cardiff Social Innovation Fund - £14,000
 - Council / S4C Investment Fund - £50,000
 - Central Square - Integrated Transport Hub - £19,500,000

Dumballs Road Regeneration - £1,600,000

International Sports Village - £1,300,000

St David's Hall - £328,000.

- **Additional Borrowing** – Line 80
Cardiff Enterprise Zone - £2,500,000.

- **New Invest to Save Schemes** – Line 83
St David's Hall & New Theatre Arts Venues - £1,000,000.

- **Appendix I1, I2 and I3: Summary of Fees and Charges** – Highlighted in **green** are the proposed price changes for services provided by the Council that fall under the Economic Development Directorate – these can be found in **Appendix I1**. Members will note that both changes in prices and where there is no proposed price change are listed.

Equality Impact Assessments

30. As noted in paragraph 20, all savings proposals provide risk analysis information in terms of residual risk, achievability and Equality Impact Assessment. Where a screening identifies a red or red/amber risk a full Equality Impact Assessment is undertaken. The following proposals were subject to a full Equality Impact Assessment, and can be accessed via the links provided.

St David's Hall - <https://goo.gl/o4IryH>

New Theatre - <https://goo.gl/fOcPdQ>

City Operations Directorate

31. Cllr Peter Bradbury (Cabinet Member, Community, Development, Co-operatives & Social Enterprise) and Cllr Bob Derbyshire (Cabinet Member – Environment) will be in attendance. They will be invited to give a short statement on the sections of the *Corporate Plan* relevant to their Cabinet Portfolio falling under City Operations, the Budget savings proposals, and any key information raised through the *Changes for Cardiff* consultation exercise. Cabinet Members will be joined by Andrew Gregory (Director – City Operations) who will provide a presentation on the Corporate Plan, Budget Proposals and Consultation Results for the City Operations Directorate relevant to the Committee's terms of reference.

Draft Corporate Plan 2017-2019

32. The draft Corporate Plan recognises the importance of the Cardiff's sporting and cultural offer under the heading 'Delivering for Cardiff: Our Core Business' (**page 11 of Appendix A**). This states;

"The Council has a commitment to make a positive impact on the health and wellbeing of communities. Parks and green spaces - which are a huge part of the city's appeal - are maintained by the Council. We will continue to work with "friends groups" to make the best use of important natural assets and vital recreational areas. This is in addition to working with partners to improve community engagement and local management of green spaces and community facilities.

[...]

"Cardiff has a strong cultural offer but, due to budgetary pressures, the Council needs a new model to support art and culture in the city. By working with artists and communities, art and culture are being taken out of museums and galleries and into the communities of Cardiff. It is an exciting agenda and a real demonstration of how the Council can support the Arts in the future."

Priority 3 - An Economy that benefits all our citizens

(Page 33 – 43 of **Appendix A**)

33. As outlined in paragraph 25, a key area of focus for this Committee from the draft Corporate Plan is Priority 3 – *An economy that benefits all our citizens*. The City Operations Directorate makes significant contribution to achieving Well-being objective 3.4 - *Ensure high quality and sustainable provision of culture, leisure and public spaces in the city*.

34. In order to achieve this objective a number of commitments are identified, alongside the Lead Cabinet Member responsible for their delivery. Included below are commitments relevant to this Committee terms of reference from City Operations:

- Deliver high quality and well maintained bay and water ways at Harbour Authority (**Lead Cabinet Member - Cllr Derbyshire**).
- Deliver an updated Parks and Green Spaces Strategy by March 2018 including maintaining and increasing Green Flag status at parks (**Lead Cabinet Member - Cllr Derbyshire**).
- Ensure Leisure Centres deliver high quality service according to contract (**Lead Cabinet Member - Cllr Bradbury**).

The measures identified to achieve these commitments can be found summarised on page 71 of **Appendix A**.

35. Members have the opportunity to scrutinise the above Projects and initiatives and the outcome measures contained within the draft *Plan*, to test their synergy with budgetary proposals.

Draft Budget Proposals and Capital Programme

36. This section of the report provides the Committee with an opportunity to consider the draft Cabinet budget proposals for the City Operations Directorate and their

alignment to the sections of the draft *Corporate Plan 2017 - 2019* which relate to this Committee's terms of reference. The proposals contain four key documents which are appended to this report:

- **Appendix B: Directorate Budget Savings Proposal Summary** – This table provides a detailed analysis of the budget savings proposed for the Council, also shown is the risk analysis for each proposal. The proposals falling within the terms of reference of this Committee under the City Operations Directorate are shaded **pink**.

The savings proposals within this Committee's terms of reference total £489,000 and cover the following areas:

- Line 1:** New Operating Model for Leisure Centres - £414,000.
- Line 6:** Parks – Plant Production Nursery (Retail / Wholesale Sales) - £10,000.
- Line 7:** Parks – Tree Management - £15,000.
- Line 15:** Parks – Outdoor Sports - £25,000.
- Line 17:** Parks – Royal Horticultural Show - £25,000.

These savings are broken down into the following categories:

Category	Saving
Employee costs	-
Other spend	£464,000
Income	£25,000
Total	£489,000

- **Appendix F: Financial Resilience Mechanism** – This table identifies one-off allocations of finance to undertake work listed. The following falls under the City Operations Directorate (highlighted **pink**):
 - Refurbishment of Sports Facilities - £300,000.
- **Appendix G: Post Consultation Changes** – There are no changes identified for the City Operations Directorate falling under this Committee's terms of reference.

- **Appendix H: Employee Implications of Budget** – There are no employee implications for the City Operations Directorate falling under this Committee’s terms of reference.

- **Appendix E1: Capital Programme 2017/18 – 2021/22** – Highlighted in pink are the proposed projects that fall under the City Operations Directorate:
 - **Ongoing Schemes** – Lines 36, 37, 38, 40:
 - Parc Cefn Onn - £110,000.
 - Roath Park District Area - £900,000.
 - Flood Risk Prevention - £142,000.
 - Replacement of Athletics Track - Cardiff International Stadium - £500,000.

 - **Grant Funded Schemes** – Lines 72 and 73:
 - National Heritage Lottery Fund – Parc Cefn Onn - £460,000.
 - Harbour Authority - £1,105,000.

 - **Additional Borrowing** – Line 78:
 - Leisure Centres – ADM - £4,000,000.

- **Appendix I1, I2 and I3: Summary of Fees and Charges** – Highlighted in pink are the proposed price changes for services provided by the Council that fall under the City Operations Directorate – these can be found in **Appendix I1**. Members will note that both changes in prices and where there is no proposed price change are listed. **Appendix I3** provides fees for outdoor sports and activities provided by the City Operations Directorate.

Equality Impact Assessments

37. As noted in **paragraph 20**, all savings proposals provide risk analysis information in terms of residual risk, achievability and Equality Impact Assessment. Where a screening identifies a red or red/amber risk a full Equality Impact Assessment is

undertaken. The following proposals were subject to a full Equality Impact Assessment, and can be accessed via the links provided.

New Operating Model for Leisure Centres - <https://goo.gl/XFJ7L3>

Communities, Housing & Customer Services Directorate

38. Cllr Daniel De'Ath (Cabinet Member – Skills, Safety, Democracy & Engagement) and Cllr Peter Bradbury (Cabinet Member – Community, Development, Co-operatives & Social Enterprise) will be in attendance. They will be invited to give a short statement on the sections of the *Corporate Plan* relevant to their Cabinet Portfolio falling under this Directorate, the Budget proposals for Consultation, and any key information raised through the Changes for Cardiff consultation exercise. Cabinet Members will be joined by Sarah McGill (Director of Communities, Housing and Customer Services) who will provide a presentation on the Corporate Plan, Budget Proposals and Consultation Results for Communities, Housing & Customer Services relevant to the Committee's terms of reference.

Draft Corporate Plan 2017 - 2019

Priority 1 – Better education and skills for all

39. The draft *Corporate Plan*'s first priority is "Better education and skills for all". Of importance to this Committee is the third improvement objective under this priority – **1.3 Supporting people into work and education**. The Plan states:

"The Adult Community Learning service is delivered in collaboration through the Cardiff and Vale Community Learning Partnership and offers a broad range of adult education courses that help support the citizens of Cardiff to meet their learning aspirations, enhancing prospects and quality of life.

"The Council is especially focused on supporting those on low income because income poverty can have a profound impact on people's aspirations as well as broader effects on the health, wellbeing and safety of citizens. [...]"

40. In order to achieve this Well-being objective, the following Commitment is identified:

- Further develop Adult Community Learning and the Into Work Advice Service to support vulnerable people to maximise their employment opportunities
(Lead Cabinet Member – Cllr Daniel De’Ath).

The measures identified to achieve these commitments can be found summarised on page 63 of **Appendix A**.

Priority 4 – Working together to transform services

41. The draft Corporate Plan’s fourth priority is “Working together to transform services”. Under this Committee’s terms of reference the work undertaken under the Libraries Strategy and Hubs Strategy will be of importance. The Plan states:

“We are now delivering services in a way that helps ensure sustainability and continuity. New ways of working have been characterised by collaboration which has led to more efficient services, flexible enough to meet the needs of the people who want to use them.”

42. One of the three Well-being objectives identified to achieve this priority is relevant to this Committee terms of reference - **4.1 Communities and partners are involved in the redesign, development and delivery of local public services**. In order to achieve this improvement objective the following is one of the commitments made:

- Continue to deliver the Community Hubs development programme to provide access to a wide range of services, including advice, support and library provision **(Lead Cabinet Member – Cllr Peter Bradbury).**

The measures identified to achieve these commitments can be found summarised on page 73 of **Appendix A**.

43. Members have the opportunity to scrutinise the above Projects and initiatives and the outcome measures contained within the draft *Plan*, to test their synergy with budgetary proposals.

Draft Budget Proposals and Capital Programme

44. This section of the report provides the Committee with an opportunity to consider the draft Cabinet budget proposals for the Communities, Housing and Customer Services Directorate and their alignment to the sections of the draft *Corporate Plan 2017 - 2019* which relate to this Committee’s terms of reference. The proposals contain four key documents which are appended to this report:

- **Appendix B: Directorate Budget Savings Proposal Summary** –This table provides a detailed analysis of the budget savings proposed for the Council, also shown is the risk analysis for each proposal. The proposals falling within the terms of reference of this Committee from Communities, Housing and Customer Services are shaded **orange**.

The savings proposals within this Committee’s terms of reference total £497,000, and cover the following areas:

- Line 19: Llanover Hall – Sub Lease - £55,000.**
- Line 20: Additional Income in relation to Adult Community Learning - £49,000.**
- Line 24: Into Work Services – Grant Funded delivery - £193,000.**
- Line 26: More effective Library Stock Management - £200,000.**

These savings are broken down into the following categories:

Category	Saving
Employee costs	-
Other spend	£448,000
Income	£49,000
Total	£497,000

- **Appendix F: Financial Resilience Mechanism** – There is no financial resilience identified for the Communities, Housing and Customer Services Directorate falling under this Committee’s terms of reference.

- **Appendix G: Post Consultation Changes** – Following the *Changes for Cardiff* Consultation exercise there have been no changes made to the proposals from the Communities, Housing and Customer Services falling under this Committee’s terms of reference.

- **Appendix H: Employee Implications of Budget** – There are no employee implications for the Communities, Housing and Customer Services Directorate falling under this Committee’s terms of reference.

- **Appendix E1: Capital Programme 2017/18 – 2021/22** – Highlighted in **orange** are the proposed projects that fall under the Communities, Housing and Customer Services:
 - **Ongoing Schemes** – Lines 25, 26 and 28:
 - Citizen Hubs - £730,000.
 - St Mellons Hub Phase 2 - £3,204,000.
 - Maelfa Centre - £841,000.

 - **Grant Funded Schemes** – Line 64:
 - Museums, Archives and Libraries Grant - £80,000.

 - **Additional Borrowing** – Line 74:
 - Maelfa Regeneration – Commercial Properties - £1,000,000.

 - **Public Housing Capital Programme (HRA)** – Line 87:
 - Hub Developments - £655,000.

- **Appendix I1, I2 and I3: Summary of Fees and Charges** – Highlighted in **orange** are the proposed price changes for services provided by the Council that fall under the Communities, Housing and Customer Services Directorate– these can be found in **Appendix I1**. Members will note that both changes in prices and where there is no proposed price change are listed.

Equality Impact Assessments

45. As noted in **paragraph 20**, all savings proposals provide risk analysis information in terms of residual risk, achievability and Equality Impact Assessment. Where a screening identifies a red or red/amber risk a full Equality Impact Assessment is undertaken. The following proposals were subject to a full Equality Impact Assessment, and can be accessed via the links provided.

Into Work Service – Grant Funded delivery - <https://goo.gl/As5V7O>

Resources Directorate

Draft Budget Proposals and Capital Programme

46. This section of the report provides the Committee with an opportunity to consider a budget saving proposal from the Resources Directorate which relates to this Committee's terms of reference. Cllr Peter Bradbury (Cabinet Member, Community Development, Co-Operatives and Social Enterprise) will be in attendance and will be invited to give a short statement on this saving proposal. He will be joined by Christine Salter (Corporate Director - Resources), who will be available to answer any questions relating to this proposal.

- **Appendix B: Directorate Budget Savings Proposal Summary – Line 72**

This table provides a detailed analysis of the budget savings proposed across the Council, also shown is the risk analysis for each proposal. The Resources proposal falling within the terms of reference of this Committee is shaded **blue**.

- Policy & Partnerships - Alternative Model for Funding Potential Key Events - £20,000

The full amount of this saving proposal falls under the category – 'Other Spend'.

Consultation & Engagement Process

47. The Council used a number of mechanisms to consult and engage with citizens and stakeholders to gather their views regarding the budget proposals. These included:

- *Changes for Cardiff* budget consultation survey - open 10th November 2016 to 16th December 2016. Engagement activities included electronic questionnaire distribution via social media and email address lists, paper copy distribution across libraries and hubs, postal delivery to selected households across the city, and face to face engagement with targeted groups and selected locations across the city.
- Links on the Cardiff Council website to the Council Budget, featuring links to the *Changes for Cardiff* survey, a video explaining the budget position, links to the proposals, background papers, Equality Impact Assessments, and the on-line survey and the timeline for the budget process.
- Engagement with Trade Unions.
- Engagement with Cardiff Partnership.
- Audit Committee.
- Cardiff Third Sector Council.
- Schools' Budget Forum.
- Employee Consultation.

48. The *Changes for Cardiff* budget consultation results have now been analysed and a full copy of the report is attached at **Appendix J**. The sections listed below are of particular interest to the Economy and Culture Scrutiny Committee as they cover services within the Committee terms of reference:

Page 15-17	Hubs.
Page 18-19	School Buildings (including use for adult learning).
Page 20-24	Volunteering.

49. In addition to the broader citywide consultation, there was also service specific consultation with identified service users/ groups or organisations and internal Council consultation for those proposals that related to internal changes, including back office efficiencies, staff changes and process improvements.

Way Forward

50. Officers will make a presentation on the budget position, consultation proposals, financial pressures and capital items falling within the terms of reference of this Committee. The Cabinet Members and Officers will also be available to answer questions arising from their presentations and the attached papers.

51. Following consideration of the budget proposals, presentations and answers to Member questions, the Committee may wish to provide its comments, concerns and recommendations for the Cabinet at its business meeting on 16 February 2017.

Legal Implications

52. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure

Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

53. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATION

The Committee is recommended to give consideration to the information received at this meeting, and to submit any recommendations or comments to the Cabinet prior to its consideration of the final budget proposals.

Davina Fiore

Director of Governance and Legal Services

10 February 2017