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**DRAFT CORPORATE PLAN 2019–2022 and 2019-20 DRAFT BUDGET  
PROPOSALS**

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**Purpose of Report**

1. The Council's Constitution allows Scrutiny Committees to consider the draft Cabinet budget proposals prior to their consideration by the Cabinet and Full Council. This report provides Members with context for the scrutiny of those sections of the Council's draft Corporate Plan 2019-2022 and draft 2019/20 Budget Proposals that relate to the portfolios and service areas that fall within the remit of this Committee.
2. The scope of the scrutiny is as follows:
  - the relevant sections of the Corporate Plan;
  - the relevant Budgetary Proposals and their alignment with the Corporate Plan – to test whether they support delivery of the aims and priorities detailed in the Corporate Plan;
  - the relevant Budgetary Proposals in terms of potential impact on service delivery, service users and citizens of Cardiff; and the achievability and deliverability of the proposed savings.
3. The Cabinet will consider the Scrutiny Committee's comments and recommendations prior to finalising their budget proposals. The draft Cabinet budget proposals will be taken to the Cabinet Meeting on 21 February 2019 for agreement, and at this meeting, a formal decision will also be taken determining the Cabinet's budget recommendations for consideration by Council, at its meeting on 28 February 2019.

## Structure of Papers

4. Attached to this report, Members will find the following appendices, which contain information relevant to this Committee's terms of reference:

**Appendix 1** - Draft Corporate Plan 2019-22 – *to follow*

**Appendix 2** - Directorate Budgetary Analysis sheet – Social Services

**Appendix 3** - Directorate Budgetary Analysis sheet – People & Communities: Housing & Communities

**Appendix 4** – 2019/20 Directorate Savings Proposals

**Appendix 5** - Financial Pressures 2019/20

**Appendix 6** - Draft Capital Programme - *to follow*

**Appendix 7** - Employee Implications of Budget

**Appendix 8** - Fees and Charges – General

**Appendix 9** – Fees and Charges - HRA

**Appendix 10** - Budget Consultation Report 2019/20

5. The financial savings, financial pressures, capital programme, fees and charges, and employee implications papers have been colour-coded as follows:

- a. **Shaded peach** - Housing & Communities proposals that fall under Cllr Thorne's portfolio within this Committee's terms of reference
- b. **Shaded light green** - Housing & Communities proposals that fall under Cllr Elsmore's portfolio within this Committee's terms of reference.
- c. **Shaded pink** – Social Services (Adult Services) proposals that fall within this Committee's terms of reference.

6. Please note that any lines highlighted in **grey** are not applicable to this Scrutiny Committee.

7. The Directorate Budgetary Analysis sheets are attached at **Appendices 2 and 3** provide current year information. Each line is coded alphabetically (on the far left) and the letters correspond to the cross-reference column (headed x-ref) on the Savings Proposals spreadsheet.

### **Structure of Meeting**

8. The following Cabinet Members and officers have been invited to give a short presentation providing a **corporate overview** of the 2019-20 Budget Proposals as they impact on the Committee's terms of reference, and to answer any general questions arising:
  - Cllr Chris Weaver (Cabinet Member for Finance, Modernisation and Performance)
  - Christine Salter (Corporate Director, Resources)
  - Ian Allwood (Head of Finance).
9. The meeting is then structured by **Directorate**, as follows:
  - **Housing & Communities Directorate** – Cllr Lynda Thorne, Cabinet Member – Housing & Communities; and Cllr Susan Elsmore, Cabinet Member – Social Care, Health & Wellbeing
  - **Social Services (Adult Services) Directorate** – Cllr Susan Elsmore, Cabinet Member – Social Care, Health & Wellbeing

## SUMMARY OF DRAFT CORPORATE PLAN 2019-22

*Papers to follow*

### SUMMARY AND OVERVIEW OF BUDGETARY POSITION 2019/20

10. As at 11 February 2019, the Council finds itself with a budgetary gap of approximately £32 million for 2019/20, before savings have been accounted for. The shortfall comprises of:

<b>BUDGETARY GAP</b>	<b>£000</b>
Resources Available	612,608
Resources Required	645,046
<b>Shortfall before savings</b>	<b>32,438</b>

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

<b>Resources Available</b>	<b>£000</b>
Resources from WG	444,629
Council Tax (at nil increase)	167,979
<b>Total Resources Available</b>	<b>612,608</b>

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

<b>Resources Required</b>	<b>£000</b>
2018/19 adjusted base (after transfers)	610,400
New Responsibilities (per settlement)	637
New Specific Grant funding for Social Services (per settlement)	(3,000)
Employee Costs	4,412
Demographic Pressures	3,500
Commitments	2,997
Directorate Expenditure Realignments	5,599
Exceptional Inflation	3,186
Schools pressures	12,520
New directorate pressures	4,795
<b>Total Resources Required</b>	<b>645,046</b>

13. The table below identifies how the funding shortfall will be addressed:

<b>Funding Gap</b>	<b>£000</b>
Directorate Savings	(19,157)
Partial deletion of Financial Resilience Mechanism	(200)
Schools' contribution to meeting pressures	(3,586)
Net Council Tax increase at 4.9%	(6,745)
Use of Reserves	(2,750)
<b>TOTAL</b>	<b>(32,438)</b>

14. In respect of savings proposals of **£19.157** million, shown in **Appendix 4**:

- **£4.878 million** are savings from **employee costs**;
- **£15.976 million** are savings from **other spend**; and
- **£1.697 million** net reduction in **income budgets**.

These overall figures include the write-out of budgets linked to the proposal to secure a private tenant for the New Theatre within Economic Development. This includes a reduction in income budgets, which offsets other savings in respect of the generation of additional income, which otherwise total £3.855 million overall.

15. To enable the Committee to understand the prioritisation of proposed savings across directorates, the table below sets out the level of savings proposals for each directorate, as a percentage of overall savings.

<b>Total Savings</b>	<b>Employee Costs £000</b>	<b>Other Spend £000</b>	<b>Income £000</b>	<b>Total £000</b>	<b>% of overall saving</b>
<b>Corporate Management</b>	40	126	0	<b>166</b>	<b>1%</b>
<b>Economic Development</b>	1,876	6,679	(5,402)	<b>3,153</b>	<b>16%</b>
<b>Education and Lifelong Learning</b>	270	1,032	140	<b>1,442</b>	<b>8%</b>
<b>People &amp; Communities – Housing and Communities</b>	423	95	350	<b>868</b>	<b>5%</b>
<b>People &amp; Communities – Social Services</b>	0	5,750	250	<b>6,000</b>	<b>31%</b>
<b>Planning, Transport &amp; Environment</b>	477	1,810	1,982	<b>4,269</b>	<b>22%</b>
<b>Resources – Governance &amp; Legal</b>	119	42	211	<b>372</b>	<b>2%</b>
<b>Resources - Resources</b>	1,673	442	772	<b>2,887</b>	<b>15%</b>
<b>Total</b>	<b>4,878</b>	<b>15,976</b>	<b>(1,697)</b>	<b>19,157</b>	<b>100%</b>

#### **Directorate Financial Pressures 2019/20**

16. The Financial Pressures Summary is attached at **Appendix 5**, colour coded as set out at paragraph 5. Further details are provided below, under the relevant Cabinet Member portfolio section.

#### **Council Capital Programme 2019/20– 2023-24**

17. *Papers to follow*

## **Employee Implications of Budget**

18. This table, attached at **Appendix 7**, provides a summary of the impact on posts across the Council. The employee implications of savings proposals within Directorates are colour coded as per paragraph 5 of this report.

## **Fees and Charges**

19. **Appendices 8 & 9** provide a summary of Fees and Charges, colour coded as per paragraph 5 of this report. Members will note that **Appendix 9** sets out fees and charges specific to the HRA.

## **Specific Proposals within CASSC Terms of Reference**

20. This section of the report provides the Committee with an opportunity to consider the draft Cabinet budgetary proposals and their alignment to the Corporate Plan 2019 – 2022 (*to follow*), for the proposals which relate to this Committee's terms of reference. These are set out below by Directorate, in the order shown on the agenda for this meeting.

## **Housing and Communities Directorate**

21. Councillor Lynda Thorne, Cabinet Member for Housing & Communities; Councillor Susan Elsmore, Cabinet Member for Social Care, Health & Wellbeing; and Jane Thomas, Assistant Director of Housing & Communities have been invited to give presentations and answer Members' questions on the relevant sections of the Draft Corporate Plan and budget proposals for this Directorate.

<b>Councillor Thorne – Housing &amp; Communities</b>
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22. Members are asked to refer to **the Appendices attached**, in relation to the following proposals, shaded **peach**:

**Corporate Plan – to follow**

**Savings Proposals - Appendix 4 (these proposals total £435,000)**

- a) **Line 26** - Realignment of funding for homelessness service delivery  
- £250,000
- b) **Line 28** - Review of Benefits Service in line with rollout of Universal Credit - £125,000
- c) **Line 31** – Review of Adams Court and realignment of grant funding  
- £30,000
- d) **Line 34** - Citizen Advice Bureau (CAB) Contract - Agreed  
Reduction - £30,000

**Financial Pressures – Appendix 5**

- e) **FP3** – Older Persons and Accessible Homes Unit - £150,000

**Capital Programme- Appendix 6**

***Papers to follow***

**Employee Implications of Budget – Appendix 7**

- f) **FP3** – Create 5 posts – Older Persons and Accessible Homes Unit



## **Fees and Charges – Appendix 8**

- g) **Line 254** - Gypsy Sites - Rent - per pitch - per week

Attached as **Appendix 9** are fees are charges specific to the HRA.

<b><u>Councillor Elsmore – Social Care, Health &amp; Wellbeing</u></b>
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23. Members are asked to refer to **the Appendices attached**, in relation to the following proposals, shaded **light green**:

### **Corporate Plan – *to follow***

### **Savings Proposals - Appendix 4 (these proposals total £110,000)**

- a) **Line 25** – Smart House/Shop Services - £30,000
- b) **Line 29** – Review of Independent Living Service - £60,000
- c) **Line 32** – Review of the Day Opportunities Team within Independent Living Services - £20,000

### **Financial Pressures – Appendix 5**

None

### **Capital Programme – Appendix 6**

***Papers to follow***

### **Employee Implications of Budget – Appendix 7**

None

## **Fees and Charges – Appendix 8**

- d) **Line 256** - Disabled Facilities Services – 6% admin costs on home improvement loans
- e) **Line 257** – Disabled Facility Grant Income
- f) **Lines 444-445** – Meals on Wheels (24/7 services)
- g) **Lines 446 – 456** – Telecare (24/7 services)
- h) **Lines 457 – 468** – Security (24/7 services)

## **Social Services (Adult Services) Directorate**

24. Councillor Susan Elsmore, Cabinet Member for Social Care, Health & Wellbeing; and Claire Marchant, Director of Social Services have been invited to give a presentation and answer Members' questions on the relevant sections of the Draft Corporate Plan and budget proposals for this Directorate.

25. Members are asked to refer to **the Appendices attached**, in relation to the following proposals, shaded **pale pink**:

**Corporate Plan – to follow.**

### **Savings Proposals - Appendix 4 (these proposals total £4m)**

- a) **Line 35** - Maximise use of Community Resource Team (CRT) to support people to become more independent - £1m
- b) **Line 36** - Community Provision for older people - Improve the use and effectiveness of community provision to ensure people receive the right type and level of support at the right time in their lives - £1m
- c) **Line 38** - Enabling people with a Learning Disability to live the lives they want to live with reduced levels of community support - £500,000

- d) **Line 39** - Enabling people with a Mental Health Issue to live the lives they want to live with reduced levels of community support - £500,000
- e) **Line 41** - Improve the cost effectiveness of Social Services commissioning arrangements - £1m

#### **Financial Pressures – Appendix 5 (these proposals total £640,000)**

- f) **FP5** - Create new additional workers at Ty Canna - Transitional Outreach Workers - £108,000
- g) **FP7** - Safe systems for lone workers - £32,000
- h) **FP9** - Potential Cost Implications of Supported Living Tender in 2019 - £500,00

#### **Capital Programme – Appendix 6**

##### ***Papers to follow***

#### **Employee Implications of Budget – Appendix 7**

- i) **Line 32** – Delete 5.6 vacant posts, replace with 3.7 new posts - Review of the Day Opportunities Team within the Independent Living Services
- j) **FP5** – Create 4 new additional workers at Ty Canna – Transitional Outreach Workers

## **Fees and Charges – Appendix 8**

- k) **Line 469** - Maximum Charge for Non-Residential Care Services -  
per week

### **Resources**

26. Within the Community & Adult Services Scrutiny Committee's Terms of Reference is the requirement to scrutinise Community Safety and Crime & Disorder.

*Detail to follow*

### **Consultation & Engagement Process**

27. The Council's budget consultation survey launched on the 16 November 2018 and ran until 2<sup>nd</sup> January 2019.

A range of mechanisms were used as part of the process, including:

#### Email

- The survey was promoted via email to:
  - The Citizens' Panel (approximately 6,000 residents)
  - Councillors, Council Staff and Cardiff Public Services Board members Community Councils
  - 100 third sector organisations working with target groups including Minority Ethnic, younger people and those with a disability.
- Teams across the Council were encouraged to promote the survey (where GDPR rules allowed) by emailing customers through existing email lists, particularly where budget proposals may affect specific groups.

- The consultation was promoted to Council supported networks, including:
  - Cardiff 50+ Forum
  - Cardiff Access Forum
  - Employee Black Minority Ethnic Network
  - Cardiff Youth Council
- A separate shorter survey of 5 key questions from the main survey and 3 demographic questions was distributed to secondary schools across Cardiff, offering entrance into a Prize Draw to win a £20 shopping voucher. Any enquiries from the public were directed to [consultation@cardiff.gov.uk](mailto:consultation@cardiff.gov.uk) where they were picked up by Cardiff Research Centre staff and directed to relevant officers across the Council.

#### Internet/Intranet

- The consultation was given dedicated pages on the Council's website and promoted to Council employees via DigiGov, the Staff App and the Council's computer screen saver.

#### Social Media

- The survey was promoted to almost 90,000 followers via Facebook and Twitter by the Corporate Communications Team throughout the consultation period.
- Targeted promotion was facilitated via stakeholder's social media accounts and Facebook boosts aimed at those less frequently heard i.e. under 25's, Minority Ethnic groups and those living in the 'Southern Arc' of the city.
- A series of online polls were hosted on Facebook/Twitter to boost responses to key questions within the consultation.

## Face to Face and Hard Copies

- Posters and 2,500 hard copies of the consultation document (plus 500 Welsh) were distributed to libraries, hubs, core council buildings and community settings (Thornhill Church Centre, Dusty Forge and Chapter Arts). Drop boxes were provided in hubs and libraries for the public to deposit their returns. Council officers were on hand at Central Library and Grangetown Hub to answer questions.
- Hard copies, with freepost return envelopes, were also delivered to selected streets in St Mellons, Llanrumney, Ely and Caerau (areas that typically have a poor response rate).
- A facilitated focus group session was held with Diverse Cymru members.

## RESULTS

- A combined total of **2,078** validated responses were received.
- The results presented in **Appendix 10** to this report are set out by well-being objective – Cardiff Council’s priorities as set out in Capital Ambition.
- Responses are broken down by age, gender, ethnic background, Welsh Speakers, those with a disability and those living in the least or most deprived areas of the city.
- In addition, the analysis includes the response from those living in the ‘Southern Arc’ of Cardiff which comprises the following electoral divisions: Adamsdown, Butetown, Caerau, Canton, Ely, Grangetown, Llanrumney, Riverside, Rumney, Splott, Trowbridge (*see map at Appendix B*)

- Comments most frequently made, including those during face-to-face engagement, are included alongside the core data. For all survey comments please see *Appendix C*.
- A summary of comments from the focus group facilitated by Diverse Cymru are included for relevant questions.
- Results of the Youth Survey are also included for relevant questions - 30 responses were received to the Youth Survey. Whilst an important contribution to the consultation, the survey response should be seen as providing contextual feedback and should not be treated as statistically robust.

#### Areas Relevant to CASSC:

##### Cardiff is a great place to grow older

- When you think about life in old age, what things worry you? (page 14)
- If, when you are older, you find it more difficult or are unable to look after yourself, or your home, what sort of care and support would you prefer? (page 15)
- What facilities would it be important for you to have in your close environment? (page 18)
- Is the purchase of assistive equipment something that would be of interest to you (page 20)

##### Safe, confident and empowered communities

- Have you heard of Dewis Cymru?
- Have you used Dewis Cymru? (page 24)

## **Way Forward**

28. Members have the opportunity to scrutinise the draft Corporate Plan 2019-22, the alignment of the draft budgetary proposals 2019/20 with the draft Corporate Plan, the potential impact of the draft budgetary proposals on service delivery, service users and citizens of Cardiff and the achievability and deliverability of the budget proposals.
29. Officers will make a presentation on the overall budget position, and issues falling within the terms of reference of this Committee. The relevant Cabinet Members and Officers will be available to answer Members' questions.
30. Following consideration of the budget proposals, presentations and answers to Member questions, the Committee may wish to provide its comments, observations and recommendations to the Cabinet for consideration at their meeting on 21 February 2019.

## **Legal Implications**

31. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct 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**

32. 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 attached to this report and received at this meeting and to submit any recommendations, observations or comments to the Cabinet.

**Davina Fiore**

**Director of Governance and Legal Services**

**12 February 2019**