

**CABINET RESPONSE TO THE REPORT BY THE ECONOMY & CULTURE
SCRUTINY COMMITTEE INQUIRY – ‘*COUNCIL WORKSHOPS & INNOVATION
PREMISES*’**

Purpose of report

1. To update Members on the Cabinet response to the recommendations made in the Economy & Culture Scrutiny Committee November 2018 inquiry report ‘*Council Workshops & Innovation Premises*’.

Background

2. During discussions to inform the Committee’s work programme for the municipal year 2018-19, Members received a request to undertake an inquiry into the way forward re Council-owned workshops and innovation premises. Members were requested to undertake the inquiry over the summer months and to report as soon as possible in the autumn, to help inform policy development in these areas.
3. The Committee agreed the following membership for this task group: Councillor Howells; Councillor Hill-John; and Councillor Robson. The Inquiry had the following terms of reference:
 - i) To investigate what the Council’s role should be in the provision of workshop premises and premises for supporting innovation¹ in Cardiff, by:
 - Examining current council provision – e.g. location/ unit size/ demand/ property condition

¹ Innovation is: the application of research for a benefit to the wider community, economy or for commercial benefit; and the successful exploitation of new ideas, turning ideas into business or social capital. Innovation contributes directly to productivity growth and creates sustainable, high value jobs.

- Examining alternative provision – currently available and planned
 - Identifying whether there are overlaps and/ or gaps in provision
 - Exploring the role the Council wishes to play in addressing the above
 - Hearing the views of stakeholders with regard to the above.
- ii) To make evidence based recommendations to Cabinet on the future role of the Council re provision of workshops and premises for supporting innovation in Cardiff.
4. The task group heard evidence from a number of internal and external witnesses, including relevant Cabinet Members, senior officers, Cardiff University, the University of South Wales, and Gareth Jones, co-founder of Welsh Innovation Centre for Enterprise and The Town Square. As part of the Inquiry, Members visited a number of the Council’s workshop sites to see the range of sizes and types of units provided and to meet with businesses to hear their views on existing provision.
5. The task group Members used the evidence to identify findings and to develop recommendations. The report for this task and finish inquiry was taken to the Cabinet meeting held on 24 January 2019. The full report for this inquiry is available at:

<http://cardiff.moderngov.co.uk/ieListDocuments.aspx?CId=151&MId=3543&LLL=0>

Cabinet Response to Recommendations

6. The Cabinet agreed their response at their meeting on 18 April 2019. Attached at **Appendix 1** is a full copy of the Cabinet paper, outlining the recommendations made and the Cabinet response to each recommendation.
7. Overall, the Committee made **nine** recommendations to the Cabinet. The Cabinet response shows that:
- **6** of the recommendations are accepted – *R1, R3, R5, R6, R8 & R9*:
 - **3** of the recommendations are partially accepted – *R2, R4, R7* :
 - *R2 – ring-fence capital receipts for new Council provision of workshops & innovation premises* - the response notes that the Council’s priority

for capital receipts is to meet the target of generating £40million general fund capital receipts to assist in funding the 2018/19 -2022/23 Capital Programme and therefore there are limits on earmarking capital receipts. These limits include: for capital expenditure essential to secure a disposal; to meet the terms and conditions of a grant; or where approved by Cabinet to be ring-fenced for specific projects or strategies.

- *R4 –provision of 1,000 sq. ft. move-on accommodation* - response highlights that the Council would work with partners to ensure provision, but would be open to direct provision by the Council if a business case proved this a more appropriate route.
- *R7 – gap in existing advice and mentoring services* – the response highlights that the Council sees effective signposting to national organisations that provide support and specialist expertise as the most efficient and effective approach

Way Forward

8. Councillor Russell Goodway (Cabinet Member – Investment & Development) and Neil Hanratty (Director – Economic Development) have been invited to present the response to the inquiry and present any progress made in addressing the issues raised and recommendations approved.

Legal Implications

9. 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

10. 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 receive the Cabinet response and agree the way forward for receiving progress reports on the work required to implement the agreed recommendations.

DAVINA FIORE

Director of Governance & Legal Services

2 May 2019

The following Appendix is attached:

Appendix 1: Cabinet Response to the Report by the Economy and Culture Scrutiny Committee entitled "Funding of Parks in Cardiff"