



A Report of the: Economy & Culture Scrutiny Committee

Annual Report

2019- 2020



Cardiff Council

Economy & Culture Scrutiny Committee Membership



Councillor Nigel Howells
(Chairperson)



Councillor Iona Gordon



Naz Ismail – Youth Council



Councillor Jane Henshaw



Councillor Gavin Hill-John



Councillor Christopher Lay¹



Councillor Thomas Parkhill



Councillor Adrian Robson



Councillor Abdul Sattar



Councillor Ed Stubbs

¹ Councillor Lay joined in January 2020, replacing Councillor Simmons

TERMS OF REFERENCE OF THE ECONOMY & CULTURE SCRUTINY COMMITTEE

- To scrutinise, measure and actively promote improvement in the Council's performance in the provision of services and compliance with Council policies, aims and objectives in the area of economic regeneration.
 - Cardiff City Region City Deal
 - Inward Investment and the marketing of Cardiff
 - South East Wales Economic Forum
 - Economic Strategy & Employment
 - European Funding & Investment
 - Small to Medium Enterprise Support
 - Cardiff Harbour Authority
 - Lifelong Learning
 - Leisure Centres
 - Sports Development
 - Parks & Green Spaces
 - Libraries, Arts & Culture
 - Civic Buildings
 - Events & Tourism
 - Strategic Projects
 - Innovation & Technology Centres
 - Local Training & Enterprise
- To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government Sponsored Public Bodies and quasi-departmental non-governmental bodies on the effectiveness of Council service delivery.
- To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures, which may enhance Council performance or service delivery in this area.

CHAIR'S FOREWORD

This report covers our work in 2019-20, before the Coronavirus Pandemic changed our landscape completely. Scrutiny will need to adapt accordingly, to accommodate safe distancing and be able to respond swiftly to a fast-changing environment. We are well placed to do this, with strong scrutiny, mature relationships and a commitment to partnership working and constructive criticism. This review of our work demonstrates these elements, highlighting where we have helped to refine reports to Cabinet, thus strengthening the governance of the Council, and undertaken proactive scrutiny covering Culture in Cardiff and Events in Cardiff, thus helping to improve provision. We have continued to take a light touch approach to our monitoring role, in recognition of the good level of performance in the areas we cover.

Much of our work this year has been pre-decision scrutiny with many of these reports seeking approval for the next stage of project work and so offering the opportunity for us to inform policy direction. A significant number of these reports contained confidential information that we commented on; we have shared our scrutiny of these as far as we are able to without breaching confidentiality.

We know that our work going forward will cover the redesign of frontline services to enable participation in a safe way as well as how we work with partners to tackle the impact on our economy and reprioritisation of Council resources. We are mid-way through our Inquiry into Tourism in Cardiff, paused during the lockdown; we will reframe this in light of the impact of the Pandemic. We will retain our commitment to scrutinising through the lens of the Climate Emergency we face.

I am delighted that the whole Committee unanimously supported the inclusion of a Youth Council representative on our Committee and we were pleased to welcome Naz Ismail to our meetings. She has aided our scrutiny and it has been pleasing to see witnesses respond positively to her suggestions and wishing to tap into the Youth Council network to improve service planning and provision.

I wish to place on record my thanks to all those who contributed to our scrutiny over the year, whether by attendance at committee or task group meetings or through written contributions; your evidence has helped inform our observations and recommendations. Similarly, I thank my fellow Committee Members and supporting officers for their hard work throughout the year.



Councillor Nigel Howells

Chair, Economy & Culture Scrutiny Committee

2019-20 INTRODUCTION & OVERVIEW

The Economy and Culture Scrutiny Committee plays an important role in assessing service performance and informing policy development across a range of Council services. The Committee hears from diverse witnesses to inform this work, including relevant Cabinet Members, council officers, partner organisations, citizens and service users. During 2019–20, Committee Members scrutinised items across several Cabinet Portfolio areas, as follows:

- Cllr Huw Thomas – Leader
- Cllr Peter Bradbury – Culture & Leisure
- Cllr Russell Goodway – Investment & Development
- Cllr Sarah Merry – Education, Employment & Skills
- Cllr Lynda Thorne – Housing & Communities.

The Directorates predominantly covered by the Committee's terms of reference are: Economic Development; and People & Communities: Housing & Communities. This report presents the Committee's activities during 2019-20 and, where possible, identifies the impact of the Committee's work upon the areas within its remit. Between June 2019 and May 2020, the Committee scrutinised a wide range of topics, which are listed below.

Inquiries

Where the Committee has undertaken an examination of a topic over a period of time, resulting in a formal report to the Cabinet.

- Cabinet Response: Events in Cardiff Inquiry (*June 2019*)
- Culture in Cardiff: Short Scrutiny (*February 2020*)
- Tourism in Cardiff Inquiry (*ongoing*).

Policy Development and/or Review

Where the Committee has contributed to the Council's policy development processes, for example by considering draft policy documents, and/or where the Committee has considered the implementation of policies, looking at whether this has happened in a timely manner and the impact of the policy, giving the Cabinet the opportunity to know Scrutiny Members' views about whether any changes are required.

- Sport Cardiff

- Cardiff Harbour Authority – Review of current arrangements.
- Cardiff Commitment.

Pre-Decision

Where the Committee has evaluated and commented on policy proposals before they go to the Cabinet, giving the Cabinet the opportunity to know Scrutiny Members' views prior to making their decision.

- Multi- Purpose Indoor Arena
- New Theatre
- Music Strategy
- Cardiff East Industrial Strategy
- International Sports Village (ISV)
- Llanrumney Development
- Town Centre Loan – Coal Exchange
- Corporate Plan 2020-23 and Budget 2020/21
- Libraries and Hubs
- Land at James Street
- Land at Callaghan Square.

Monitoring

Where the Committee has undertaken monitoring of the Council's performance and progress in implementing actions previously agreed.

- Directorate Delivery Plan – Economic Development; People & Communities: Housing & Communities
- Quarterly Performance Reports – Economic Development; People & Communities: Housing & Communities
- Budget Monitoring – Month 4, Month 6 and Month 9
- Welsh Public Library Standards 6th Framework
- Cardiff City Region City Deal: Joint Overview & Scrutiny Committee.

Call- In

Where a non-Executive Member invokes the Call-In procedure under the Council's Constitution, to review an Executive Decision prior to implementation.

- None

Over the period June 2019 – May 2020 we held 10 committee meetings and wrote 21 letters, as at March 2020, to the Cabinet, officers and external partners, sharing our comments, recommendations and concerns following the scrutiny of items at committee meetings. Four of our committee meetings were webcast and received 218 views.

We also held forum meetings to consider our work programme for the year as well as task group meetings for our inquiry and our short scrutiny. The Committee ran a short scrutiny on Culture in Cardiff, which took place mostly at committee meetings but also included a forum meeting with the Chief Executive of the Arts Council of Wales who was unable to attend committee due to prior engagements. The Committee is currently part way through an inquiry on Tourism in Cardiff, which has been paused due to the Coronavirus pandemic lockdown.

In November 2019, Members had the opportunity to submit questions to the Environmental Scrutiny Committee to inform the scrutiny of the Shared Regulatory Services' Four Year Progress Update report, which included an Annual Report 2018-19 and a Wales Audit Office follow up review.

In December 2019, we were delighted to welcome Naz Ismail, representative from the Cardiff Youth Council, to sit on our Committee and contribute to the scrutiny of non-confidential items. Members feel that this helps to ensure that we scrutinise taking into account a Young Persons' perspective and helps the work the Council is doing to embed a child rights approach and develop a child friendly city.

This year, Committee Members have continued to focus on testing whether proposals for economic development are compatible with our commitment to sustainable development and the need to tackle the Climate Change emergency that we face. Whilst a significant number of our items were pre-decision, many of these reports to Cabinet were to seek approval for the next stage in a project and thus include policy development within them.

The following pages highlight the Committee's key activities during 2019-20, identify the comments and recommendations made and the Cabinet responses to these.

Cabinet Response: Events in Cardiff Inquiry

In July 2019, we received the response from Cabinet to our recommendations made following our Events in Cardiff Inquiry (*February 2019*). Our Inquiry explored what the programme of events in Cardiff should look like and what the Council's role and level of resource for events should be.

To inform the Inquiry, we invited contributions from a range of stakeholders, including Welsh Government, event organisers and providers, FOR Cardiff Business Improvement District, South Wales Police, Cardiff and Vale University Health Board, Cardiff Hoteliers Association, a consultant working on developing a Music Strategy for Cardiff, and Stevens Associates. We also heard from senior officers and Councillor Peter Bradbury, Cabinet Member with responsibility for Events. We received written submissions from Artes Mundi, Pontcanna & Riverside Residents, Public Health Wales and South Wales Fire and Rescue Services. We visited the Principality Stadium to hear their views and undertook desk-based research into approaches used by other local authorities.

Our Inquiry found that events are worthwhile for Cardiff, both economically and socially, enhancing citizens' lives and supporting many jobs and businesses in Wales. However, they also bring costs to statutory services, which are not recompensed, at the same time as there is an overall reduction in available Council resources. It was time to rethink our approach to events in Cardiff.

Our recommendations centred on placing Cardiff Council in an enabling and facilitative role, coordinating partner efforts, consolidating a strategic approach, developing a signature event, lobbying for increased funding to meet the costs incurred by statutory services, and responding to the concerns of affected communities. We also recommended that Cardiff further strengthen its events calendar and increase the legacy and impact of events, for the benefit of local communities and Wales.

Out of 12 recommendations, Cabinet accepted 6 in full and partially accepted 5. 1 recommendation was not accepted; this was in relation to smoothing the event calendar by increasing the number of events held in the current downtime. However, the response from the Cabinet stated that the Council works proactively to plan events, with a strategy

to attract more events throughout the year, and that officers will continue to work with partner venues to ensure the city operates effectively and yield is maximised.

Members were pleased that the Cabinet and senior officers found the Inquiry report useful, with welcome ideas for the future of events in Cardiff. Members were also pleased that, as recommended, the Events Focus Group will be re-established to draw together key stakeholders to ensure wider, collaborative development of the event calendar.

Members agreed to receive an update on the implementation of agreed recommendations at the same time as they received the revised Events Strategy and/or Major Events update, planned for later in 2020.

Culture in Cardiff – Short Scrutiny

Members held a short scrutiny over two committee meetings in October 2019 and December 2019, with additional forum meetings held in January 2020, to explore the current and future role of Culture in the economy of Cardiff and look at the role of Cardiff Council and partners in ensuring a sustainable way forward for Culture in Cardiff.

To inform this short scrutiny, the Chair wrote to local stakeholders seeking their views. His letter was subsequently shared on social media, widening the opportunity for local stakeholders to contribute. The Chair also sought the views of renowned practitioner in the field, Chris Murray, Core Cities Cultural Cities Enquiry lead officer.

Desk-based research was undertaken referencing good practice from other core cities in the UK and experiences from across Europe, captured via the following publications: Core Cities UK – *Cultural Cities Enquiry Report – Enriching UK cities through smart investment in Culture* – February 2019; and Eurocities – *Future Creative Cities Report – Why culture is a smart investment for cities* – December 2017. Desk based research was also undertaken on other cities in the UK named by witnesses as evidencing good practice re Culture, including Hull and Coventry.

At the October 2019 committee meeting, Members explored definitions of culture and the place-making and economic roles of culture. Members invited Councillor Peter Bradbury,

Cabinet Member for Culture and Leisure, and relevant officers to attend committee for a question and answer session on their views on the current position regarding the work of the Council in relation to culture in Cardiff.

At the December 2019 committee meeting, Members convened a panel discussion, with contributions from Andy Eagle, Chief Executive, Chapter Arts Centre, and Paul Kaynes, Chief Executive, National Dance Company of Wales as well as Councillor Bradbury and officers. At this meeting, Members considered written submissions received from Arts Council of Wales, Literature Wales, Ffotogallery and Chris Murray, Core Cities.

As part of the short scrutiny, in January 2020, Members met with Mr Nick Capaldi, Chief Executive of Arts Council of Wales, who wished to contribute to the scrutiny in person and was unable to attend either committee meeting due to prior commitments that could not be re-arranged. Members also considered relevant information submitted as part of their previous '*Events in Cardiff*' Inquiry (2019) and their on-going '*Tourism in Cardiff*' Inquiry, for example a written submission received from the National Museum Wales.

Members found clear evidence of the importance of Culture to the economy, health and wellbeing of Cardiff. We also found that Cardiff is ideally placed to take advantage of the transformative impact of Culture, with a real willingness from partners to work together collaboratively to promote the distinctive and high quality cultural offer of Cardiff. There are opportunities to align resources around shared strategic objectives and new resource routes available that need exploring.

We also found that partners would welcome the Council taking a greater leadership role in facilitating discussions and providing a framework for collaboration; there is a tangible wish to share responsibility for delivery and for there to be a collective vision for Culture in Cardiff. A key area of concern highlighted by partners is the need to effectively brand and market Cardiff, particularly given the increasing competitiveness of other cities.

Members made 14 recommendations, including developing a short Cultural Strategy, continuing work on a Cultural Compact, exploring new financial and resource levers, and working with partners to develop a suitable brand and market Cardiff's cultural offer. The report has been shared with the relevant Cabinet Member and officers and will be formally presented to Cabinet once meetings recommence following the Coronavirus lockdown.

Tourism in Cardiff

At the suggestion of Councillor Russell Goodway, Cabinet Member Investment & Development, Members agreed to undertake an inquiry into tourism in Cardiff, investigating how best to increase the impact of tourism on the economy of Cardiff and how best to maximise the benefits of a new indoor arena. This inquiry has paused due to the Coronavirus 19 pandemic.

To date, Members have explored how to boost day and staying visitor numbers, length of stay and return visits. In addition, Members have looked at whether Cardiff should increase and enhance business, leisure, culture, events, international, sustainable and/ or travel trade tourism and what other tourism infrastructure improvements are needed.

To inform the Inquiry, Members invited written submissions from stakeholders, including tourism operators, accommodation providers, venues, food & drink premises and tourism attractions. Responses were received from Cardiff Hoteliers Association, individual tourism operators, Glamorgan Cricket, Techniquet and the National Museum of Wales.

Members received a briefing presentation from Cardiff Council tourism officers and discussed the characteristics of tourism in Cardiff and the key opportunities and challenges, including branding and marketing. Members are proposing to invite contributions from external stakeholders, including Welsh Government, Visit Wales and For Cardiff Business Improvement District; face-to-face meetings have been paused due to social distancing measures required to tackle Coronavirus 19 and Members are considering how best to approach seeking evidence in the current climate.

Members have received scrutiny officer briefings on tourism strategies and trends in Cardiff, Wales and the UK, including analysis of tourism statistics to see which provided the best economic impact for Cardiff, as well as a comparison between Visit Wales and Visit Scotland's approaches to promoting tourism for cities and their resource levels. Members have requested that scrutiny officers carry out a high-level comparison between Cardiff and other core cities regarding their approach to tourism and resource levels and have also asked to see copies of successful Destination Management Plans used by other

core cities, information on the impact of the recently opened Doha-Cardiff flights, and information on Airbnb in Cardiff.

Members have also asked scrutiny officers to carry out desk-based research into the lessons learnt by other cities in the UK that have recently opened indoor arena, regarding how to maximise the impact of these arena.

During budget scrutiny, Members discussed the proposal to move a Tourist Information Centre from the Old Library to St David's Hall, where staff would signpost visitors to online services. Members intend to explore this proposal further as part of this inquiry.

The desk-based research for this Inquiry is ongoing, whilst face-to-face meetings have been paused because of the need for social distancing as part of the response to Coronavirus 19.

Economic Development & Regeneration

This Committee scrutinises economic development and regeneration initiatives, looking at how to use these to boost job opportunities and increase local wealth whilst tackling climate change and ensuring development is sustainable. We scrutinise the financial contribution of the Council, how risks to the Council are addressed and mitigated, and how the impact of developments and regeneration can be maximised for citizens and communities, such as via employment, training, improved connectivity and other community benefits. We also check that schemes work together and fit cohesively into the wider economy of the city region.

This year, the Committee has continued its scrutiny of both the Indoor Arena and International Sports Village and looked at new initiatives including Cardiff East Industrial Strategy, Llanrumney Development, a Town Centre Loan for the Coal Exchange, land at James Street and land at Callaghan Square. Much of the information shared with the Committee on these items is confidential; the summaries below provide an overview of the aspects of our scrutiny that we can put into the public domain.

Multi-Purpose Indoor Arena

We carried out two pre-decision scrutinies of reports to Cabinet on the Indoor Arena; in July 2019, we scrutinised the proposed Delivery Strategy; and in December 2019 we scrutinised the proposed procurement process, a new financial strategy and acquisition of the Red Dragon Centre. At both of these scrutinises we checked the risks to the Council and how these were addressed and we tested the recommendations to Cabinet.

At our July committee meeting, we heard from Councillor Goodway, Cabinet Member – Investment and Development, senior officers and a representative from Capita, which has been assisting the Council on this project. We discussed the Committee's views on the importance of ensuring top quality design and the opportunity to have a carbon neutral building, thus contributing to the Council's commitment to tackle the climate emergency. We considered access to the arena and the need to provide high quality, accessible and affordable public transport. We looked at how the arena will complement existing facilities in Cardiff and how this scheme fits with other regeneration schemes in Cardiff Bay. Overall, we supported the recommendations to Cabinet and made it clear that we wished to scrutinise the proposed procurement process and choice of operator.

At our December committee meeting, we heard from Councillor Goodway, Cabinet Member – Investment and Development, senior officers and a representative from Bevan Brittan LLP, which has been assisting the Council on this project. We sought assurance regarding the acquisition of the Red Dragon Centre, seeking clarification on State Aid and Treasury Management implications. We questioned whether there needed to be an additional recommendation regarding the management of the Red Dragon Centre and were pleased with officer assurances that they would double check this with Legal colleagues. We asked about the possible impact of Brexit on the proposed financial strategy and sought other assurances regarding proposed changes. Having considered the advice received at the meeting and the independent advisors' reports attached as confidential appendices, Members supported the recommendations to Cabinet as necessary to move to the next stage of delivering the Indoor Arena.

Members note that several of the independent advisors reports recommend further sensitivity analyses and due diligence checks and look forward to receiving this as part of future scrutiny. Given the complexity of future reports, Members will invite Legal and Finance officers to be present at these meetings to advise the Committee as requested.

Members also asked that officers work together to ensure the Committee receives papers on time, to give them an opportunity to read, digest and consider lines of enquiry, thus ensuring we can play our part in the governance of this scheme.

In his response, Councillor Goodway, Cabinet Member – Investment and Development, stated *‘I am grateful for having the opportunity to explain our proposals to you and your committee in advance of the Cabinet reaching its decision on this important project. I am also grateful for constructive manner in which you and committee addressed the significant issues that inevitably arise in a project of this complexity and with the reception afforded to me and my team’*. He confirmed advice had been taken regarding the recommendations and that the issues were covered in the Council’s scheme of delegations. He confirmed that the information requested by the Committee will be made available to the Committee as part of their scrutiny. He also offered his assistance to ensure that relevant officers and external advisors are present at the meeting to help it discharge its scrutiny obligations.

Cardiff East Industrial Strategy

At our October committee meeting, Members carried out pre-decision scrutiny of a report to Cabinet that sought approval for a proposed Cardiff East Industrial Strategy and support for the Cardiff Parkway development. Members heard from Councillor Goodway, Cabinet Member – Investment and Development and senior officers. We tested the alignment of the proposed Strategy with the UK Industrial Strategy, noting the possibility of using innovative financing solutions, including Tax Increment Financing and Free Ports. We discussed the need to improve transport connectivity, with active travel routes, a rail link and highway improvements. We considered the opportunities for boosting green tourism by improving the coastal zone and the positive impact that enhancing the environment of the industrial landscape of East Cardiff will have on overall wellbeing.

Overall, Members welcomed the Cardiff East Industrial Strategy and supported the recommendations to Cabinet.

Llanrumney Development

In December 2019, our Committee carried out pre-decision scrutiny of a report to Cabinet on proposals to improve transport connectivity, boost local employment opportunities,

enhance the environment and provide increased outdoor sports facilities in Llanrumney. We heard from Councillor Russell Goodway, Cabinet Member- Investment and Development, and senior officers, who gave a presentation providing visuals of proposed improvements.

At the meeting we explored the generation and use of capital receipts, the support required to ensure local unemployed people benefit from increased employment opportunities, the involvement of local ward councillors in reviewing proposed transport improvements to ensure these meet local needs and the proposals for the Outdoor Sports Complex. We expressed our wish to scrutinise more detailed proposals as these come forward.

In his response to our letter, Councillor Goodway, Cabinet Member – Investment and Development, wrote: ‘ *Once again, I am grateful for having the opportunity to explain our proposals to you and your committee in advance of the Cabinet reaching its decision....I can confirm that economic development officials already work closely with the council’s Into Work Team and we will ensure that they both focus on promoting any job opportunities across the local area. In addition, we will also link up with younger people in the area through the Cardiff Commitment Project so that those about to enter the labour market are also aware of the opportunities.... These proposals form an important component of the Administration’s strategy for the east of the city... the support of your committee is very much valued.*’

International Sports Village (ISV)

Building on previous scrutiny in March 2018 of proposals for the International Sports Village (ISV), in October 2019, we carried out pre-decision scrutiny of a revised development strategy for the ISV, including considering land ownership and use as well as future operating models and appropriate procurement processes to identify these.

We considered financial and legal implications, risks to the Council and the fit between these proposals and the wider Cardiff Bay regeneration plans, including aspects we have previously scrutinised such as purchase of the Toys R Us site and land at Britannia Park.

We received confidential information relating to the Financial Strategy and Contractual Issues as well as information on land ownership, proposed phasing and the new development strategy. We heard from Councillor Russell Goodway, Cabinet Member – Investment and Development and senior officers and discussed with them the need to apply lessons learnt from earlier schemes regarding how best to build a sense of place and a sense of community. Members highlighted the need to factor in appropriate, open spaces for residents as well as enhancing the leisure offer of Cardiff and were pleased to note that public and active transport infrastructure are highlighted for improvement and enhancement.

Having considered the evidence received, Members gave their support to the recommendations to Cabinet, recognising the need to utilise a pragmatic strategy to finish the ISV and ensure benefits to the surrounding communities, Cardiff and the region.

Town Centre Loan – Coal Exchange

In January 2020, we agreed to accommodate an urgent item looking at a proposed loan of Town Centre regeneration funds to the Coal Exchange. We received confidential information as part of a report to Cabinet, which Councillor Russell Goodway, Cabinet Member – Investment and Development, and Neil Hanratty, Director of Economic Development, took Members through at the meeting.

We explored the due diligence undertaken and the risks to the Council and were pleased to hear reassurances on these and to hear details of the work to mitigate risk and to reduce the Council's exposure. On this basis and with confidential caveats in place, Members gave their support to the recommendation to Cabinet, to approve a Town Centre regeneration loan for the Coal Exchange. Members recommended some changes to the report to Cabinet, to help ensure clarity. Members also made it clear that they wish to undertake pre-decision scrutiny of any further applications for loans for the Coal Exchange project, even if the amount requested falls under delegated authority and sought Councillor Goodway's assurance that this would happen. Members also requested a summary showing all the projects funded by Town Centre regeneration loans and the amount lent to each.

In his response, Councillor Goodway, Cabinet Member Investment and Development, stated: *'Can I thank you and your Committee for agreeing to take the report as an urgent item and for the constructive comments included in your letter... As requested, I can confirm that the recommended changes to the Cabinet report set out in the letter were incorporated in Appendix 1 and 2 to provide more clarity. I can also assure your Committee that if any further applications for funding toward the Coal Exchange project are received they will be subject to further due diligence and will be brought to your Committee for pre-decision scrutiny.'* Councillor Goodway included a summary of Town Centre regeneration loans, as requested.

Land at James Street

In March 2020, Members carried out pre-decision scrutiny of a report to Cabinet on acquisition of derelict land at James Street, Butetown. Members heard from Councillor Russell Goodway, Cabinet Member Investment and Development, and senior officers and reviewed plans to bring the land back into productive use as well as restore and enhance the council owned workshops at Royal Stuart and Douglas buildings. Members explored the risks, financial and legal implications for the Council and the work to mitigate these.

Members sought clarification on the work in relation to the workshops; our previous scrutiny of workshops highlighted what a crucial resource they are for small and medium sized enterprises and Members are aware these particular workshops play a key role in the creative industries of Cardiff. Members recommended a communication plan be put in place to ensure tenants are kept informed of plans and progress.

Overall, Members are supportive of the recommendations to Cabinet and placed on record our thanks to the team of officers who have worked to enable this. It is clear that significant work has been undertaken to bring together the various elements that allow the proposals to be brought together as one scheme.

Members wish to be kept informed of progress with this site.

Land at Callaghan Square

At Committee in March 2020, Councillor Russell Goodway, Cabinet Member Investment and Development, and senior officers provided Members with a confidential briefing on the current position regarding land at Callaghan Square. Members noted that the briefing showed the progress to date and that final proposals to Cabinet had yet to be decided. Members noted the overall policy of the Council to increase the return on land assets and that any proposals for this site will go through the planning process as usual.

Whilst appreciating the briefing, Members were clear it could not constitute pre-decision scrutiny, as they did not have access to the report to Cabinet. Members appreciate that officers are working to align report timelines, as discussed with Scrutiny Chairs and the Leader; this will help ensure stronger scrutiny and so help boost transparency and accountability for the Council.

City Deal

This Committee has continued to receive regular update reports on the work of the Joint Overview and Scrutiny Committee (JOSC) for the Cardiff Capital Region City Deal. These update reports provide a brief summary of items scrutinised, with a hyperlink to meeting papers and draft minutes, as well as a summation of the outcome of the JOSC scrutiny. This is in order for Members to see which areas are being scrutinised, to ensure that we avoid duplication, and keep abreast of information shared with the JOSC. The update reports also include a brief summary of reports taken to the City Deal Cabinet, with hyperlinks to their meeting papers.

At the Committee meeting in September 2019, Members discussed their concerns with the existing scrutiny, including concerns that CCRCD Members were not attending JOSC meetings, items were briefings rather than policy development or pre-decision scrutiny, and the information provided to the JOSC seemed scant when considering the topics being scrutinised. Councillor Howells explained that the Cardiff Council Scrutiny Chairs had written to the Chair of the Cardiff Capital Region City Deal (CCRCD) Cabinet to stress that more resource is needed to undertake sufficiently rigorous scrutiny of the City Deal, for example to enable site visits, research and engagement activities. Economy & Culture Scrutiny Committee Members asked the Chair to write to Cardiff Council's representative on the JOSC, Councillor Patel, proffering their support for more resources for the JOSC.

We discussed these concerns further in February 2020 with the Leader, Councillor Thomas, during the Committee's scrutiny of the budgetary proposals. Members were pleased that Councillor Thomas stated he would feedback their concerns about the existing scrutiny arrangements and noted his support for this Committee undertaking appropriate scrutiny of the City Deal. This is something Members are interested in and intend exploring in more detail during work programming for 2020-2021, ensuring any scrutiny we undertake is constructive and avoids duplication with JOSC scrutiny.

Front Facing Services

A key role of this Committee is to scrutinise the delivery of front facing services covered by our terms of reference, including venues, culture, sport, leisure, employment services, libraries and hubs. These services are vital to improving people's lives, providing employment, boosting health and well-being and promoting community cohesion. This year, we have scrutinised significant changes proposed for one of our venues, the New Theatre, as well as proposals for a new Music Strategy, the next stage in the Sport Cardiff Joint Venture, the Welsh Government sponsored review of Cardiff Harbour Authority, the delivery of Cardiff Commitment and proposals for libraries and hubs.

New Theatre

In October 2019, we considered a report to Cabinet that presented the outcome of a market process to secure a theatre operator to rent, operate and maintain the New Theatre and sought Cabinet approval for the recommended tenant. Members heard from the relevant Cabinet Member, Councillor Bradbury, and senior officers and explored with them the key factors shaping future plans, any risks to the Council, the next steps and the timelines involved. Importantly, Members tested the recommendations to Cabinet.

Overall, Members supported the direction of travel set out in the report, in terms of moving to a property lease with a theatre company that then has responsibility for operating the theatre in a sustainable way for the benefit of Cardiff and the region. We noted that the Council retains responsibility for external maintenance and also noted that the Equalities Impact Assessment stated that *'any positive/negative impact will be considered and evaluated as part of the lease negotiations.'*

We requested further details of the likely costs to the Council re external maintenance and recommended that rental income received via the property lease is ring-fenced for future external maintenance costs. We asked to be kept informed of progress in lease negotiations, highlighting it is essential that the theatre operator maintain the current level of accessibility and inclusion. We also asked to receive details of the NNDR for the New Theatre.

We questioned the wording of the recommendations to Cabinet and asked for these to be reconsidered and tightened.

In his response, the Cabinet Member Councillor Bradbury: thanked the committee for their *'considered and supportive response'*; provided further details of the external maintenance liabilities; explained a more detailed report was being prepared re these costs and this would *'form the basis on which rental monies are ring fenced to support any ongoing maintenance considerations'*; provided assurance that *'officers have been asked to reflect Members concerns as part of the final lease negotiations'*; and provided details of the NNDR, as requested.

With regard to the recommendations to Cabinet, Councillor Bradbury explained that, on reflection, his preference is to return to Cabinet to ask for authority to confirm an alternative bid if this proves necessary. He went on to state that this *'would also provide Scrutiny an opportunity to further consider the full detail of the alternative bid.'*

Music Strategy

Having previously received a presentation briefing, in April 2019, summarising the findings of the work undertaken to map the music ecosystem in Cardiff, Members re-iterated their wish to scrutinise the proposed Music Strategy. In October 2019, Members carried out pre-decision scrutiny of a report to Cabinet detailing the next steps for a Music Strategy.

Members are clear that a Music Strategy for Cardiff will lead to a number of creative and economic benefits for residents, visitors, businesses and those working in Cardiff, as well as across the region. We are pleased that the proposed scope of strategy is broad, not limited to live music or a particular genre but encompassing all genres and the music ecosystem across the city.

In terms of the proposed partnership Music Board, Members were pleased to hear that membership is broad and inclusive, having followed an open and transparent appointment process, and that there will be a number of sub-groups to provide focus on particular aspects. Members noted that a route map and plan of action will be developed to implement the recommendations arising from the initial mapping exercise. Members were pleased to hear the Cabinet Member, Councillor Bradbury, offer to bring these to this committee, prior to Cabinet, and we will make time in our work programme for this. Similarly, Members are interested in scrutinising proposals for the Signature Event and were pleased to hear this event will not be based solely in the city-centre/ Cardiff Bay but will reach into communities across Cardiff.

Overall, Members were content with the recommendations to Cabinet and support the need for collective creative thinking to maximise impact from available resources and in-kind contributions.

Sport Cardiff

In 2014, Cardiff Council signed a Joint Venture (JV) agreement with Cardiff Metropolitan University to deliver sports services in the city, with Sport Cardiff staff transferring from Cardiff Council to Cardiff Metropolitan University. Each year, Cardiff Council, Cardiff Metropolitan University and partners work together to develop a Local Sports Plan that sets out the projects and actions designed to deliver the vision and priority objectives set out in the Joint Venture agreement, ensuring reach across Cardiff and within prioritised groups.

In June 2019, Members invited representatives from Cardiff Council, Cardiff Metropolitan University, Sport Cardiff and Sport Wales to Committee to review the outcomes of the Local Sports Plan 2018-19 and discuss how to respond to key changes in the landscape for sport. These changes include the '*Wellbeing of Future Generations (Wales) Act 2015*', the Council's '*Capital Ambition*' and Sport Wales' proposed regionalisation of community sport.

Members were impressed with the work to tackle social isolation, boost wellbeing and increase physical activity and were pleased to hear Sport Wales state that Sport Cardiff is doing a good job. Members asked to receive quantitative information on the number of participants by gender, ethnicity and disability in order to check accessibility and inclusivity of service. Members offered their support as school governors in encouraging more schools to complete the annual survey and recommended that sports officers work with central education services to ensure communication of the wider benefits of survey completion to schools and, critically, school governors.

Members noted the changing emphasis for Sport Wales meaning that Sport Cardiff will need to refocus and restructure, with resources more focused on the southern arc of Cardiff, whilst ensuring that there will still be resources available to respond to needs identified of a similar magnitude in other areas of Cardiff. Members noted that information would be shared with Councillors regarding surgeries to help with community chest applications for funding. Members noted that the performance measures used would

change, to reflect the change in focus and to reflect lessons learnt to date on which types of measures are useful. Members asked to hear more about the opportunities to amplify the benefits of the links with Cardiff Metropolitan University and to hear more about the detailed proposals for restructure and service delivery. Members also passed on their thanks to Sport Cardiff, partners and grassroots volunteers for all their work.

Councillor Bradbury, Cabinet Member –Leisure & Culture, responded thanking the committee *‘for including this very important agenda item’* and for hosting a debate that was *‘intuitive and challenging’*. He committed to sharing the end of year report and monitoring figures for 2018/19 and stated that he and officers have met with the Director of Education to gain his support for improving the response rates to the School Sports Survey. He finished by committing to reporting back on the outcomes of meetings with Sport Cardiff and Cardiff Metropolitan University regarding restructure and service delivery proposals. Subsequently, details of these changes and monitoring figures were shared with Committee Members, as agreed.

Cardiff Harbour Authority

In December 2018, Welsh Government announced they had appointed Local Partnerships to carry out a review of the current arrangements for funding and managing the Cardiff Bay Barrage, inland lake and outer harbour. In May 2019, Members received a presentation outlining the emerging findings from this review and stated that they wished to carry out further scrutiny of the final review.

In January 2020, a Welsh Government representative attended Committee to take Members through the final findings of the review. Councillor Bradbury, Cabinet Member – Leisure & Culture and senior officers were also present and joined in a panel question and answer session enabling Members to explore the implications for citizens, residents, visitors, businesses, partners, Welsh Government and the Council, including risks to the Council.

Members were pleased to hear the Review found the work of the Cardiff Harbour Authority to be in line with legal requirements and to offer high quality and value for money services. Members noted that Welsh Government and Cardiff Council will be having on-going discussion re implementing the agreed recommendations of the review and asked that this Committee be kept informed of any significant changes that arise from this.

Members noted the intention to return to a three yearly funding cycle from 2021, that changes to the funding agreement are not required given the findings of the Review, that there is further work to do regarding capital receipts once the relevant post is filled in Welsh Government and that an independent Asset Condition survey has been procured. Members asked to be updated on these costs and how these will be addressed. Members asked for a copy of the groundwater control measures report, which was circulated to them the following day. Members also asked that the Cabinet Member and senior officers pass on the Committee's appreciation to all staff at Cardiff Harbour Authority for the vital work they do in maintaining this important asset for Cardiff and the region.

In his response, Councillor Bradbury, Cabinet Member – Culture & Leisure, assured the Committee that he would pass on the Committee's remarks to Cardiff Harbour Authority staff and committed to ensuring scrutiny of the asset management plan and property/ land review at the appropriate juncture. He also reassured Committee that any proposals flowing from the review *'will be subject to due diligence'* and that *'Any significant changes arising from the implementation of the report recommendations will be communicated to you.'*

Cardiff Commitment

The Administration's policy programme, Capital Ambition, states that the Administration will prioritise delivery of the *'Cardiff Commitment: helping young people, particularly those from disadvantaged and deprived communities, into employment, education or training'*² and ensuring that every child has access to these opportunities when leaving school. The Cardiff Commitment connects the Education and Economic Development Directorates and works across the Council and with partners. It contributes to partnership work on Inclusive Growth and complements the *Improving Employer Engagement* Capital Ambition programme, which aims to coordinate and manage the range of training, apprenticeships, work experience and employment opportunities in Cardiff.

In January 2020, Members received a presentation briefing to consider the results of the work to date to implement the Cardiff Commitment and make comments, observations and/ or recommendations to inform the way forward for this work. Councillor Sarah Merry, Deputy Leader and Cabinet Member – Education and Lifelong Learning, and Councillor

² Capital Ambition 2017

Russell Goodway, Cabinet Member - Investment & Development, attended Committee with officers from Education and Economic Development.

Committee Members were clear that it is essential to prepare young people for life after school and were pleased with the excellent work outlined at Committee aimed at helping young people identify and access work and career opportunities. It was clear to Members that productive partnerships have been formed, between economic development officers and education officers, business, academic institutions and schools and Members recognised and applauded the hard work required to initiate and sustain these.

Members noted that these partnerships are benefiting pupils, teachers and schools, helping to enhance learning, with attainment levels rising and the percentage of Year 11 school leavers not in education, employment or training significantly reduced since the implementation of the Cardiff Commitment.

Members were pleased with the aim to expand Cardiff Commitment as a universal offer across the city, having understandably initially focused on the deprived Southern Arc of Cardiff. Members suggested that more publicity to schools, parents and pupils about what is available from the Cardiff Commitment would help to increase school take-up across the city.

In addition, Members believe it is essential to offer targeted support to the most vulnerable children so that they can also benefit from the Cardiff Commitment; this includes those in Pupil Referral Units, Specialist Resource Bases and similar.

Libraries & Hubs

This Committee has undertaken regular policy development scrutiny of proposals re Libraries and Hubs. This Committee also undertakes annual monitoring scrutiny of the Council's performance re Welsh Public Library Standards and Chief Librarian Universal Offers. In February 2020, Members carried out pre-decision scrutiny of the proposed Hub and Library Strategy and Library Collections Policy. Members received a statement from Councillor Lynda Thorne, Cabinet Member - Housing & Communities, and briefing presentations from senior officer taking them through the report to Cabinet. During this scrutiny, Members explored the proposed Strategy and Library Collections Policy, the implications of these, the risks to the Council, the timeline and next steps and the

recommendations to Cabinet. Members also received a copy of the latest Welsh Public Library Standards monitoring report for Cardiff, which helped to set the context for their discussions.

Members were keen to understand the impact of proposals for citizens in Cardiff and were impressed by the amount of thought and effort that had gone into fine-tuning proposals to ensure these were maximised. Members were pleased to see that the Strategy seeks to address various causes of social isolation and provide advice and assistance to those that require it, for example via the Money Advice Team and Dementia Friendly work.

With regard to the Welsh Public Library Standards, Members noted that the publication of an approved Strategy would mean that the Council would meet all the Core Entitlements set out in these Standards. Members also noted that the Council is querying the relevance for Cardiff of two quality indicators that we currently do not meet in full, namely staff qualified to degree level and the level of spend on books, and that discussions are being held with Welsh Government on this.

With regard to the Library Collections Policy, Members were content with the proposed approach and are interested to receive an update on progress in 12 months; we recommend this be included in this committee's work programme for 2020-21.

At the meeting, Members asked for an update on work regarding the provision at the Cardiff Royal Infirmary and were pleased to hear that progress is being made. Members asked that a briefing be arranged for Members of the surrounding wards to ensure they were aware of progress and next steps; officers assured the Committee that they would make sure this took place.

Overall, Members are supportive of both the Hub & Library Strategy and the Library Collections Policy and commended them to Cabinet.

Corporate Plan 2020-23 and Budgetary Proposals 2020-21

In early February 2020, Councillor Howells participated in a Policy Review and Performance Panel, along with other Scrutiny Chairs, scrutinising the draft Corporate Plan. He raised several points relating to this Committee's terms of reference regarding Tourism, Innovation & Workshops, Adult Community Learning and Shared Regulatory Services. At our February 2020 meeting, Members were pleased to note that several of these points were taken on board and the Corporate Plan strengthened as a result.

Members considered the Council's draft budgetary proposals for 2020–21 at their February 2020 committee meeting. Members noted that:

- The Financial Resilience Mechanism contains £478,000 for use in Parks and Sports
- The use of £750,000 reserves is believed to be appropriate and prudent and it comes from an earmarked reserve
- Savings proposals have been subject to strong due diligence checks, with £1M already achieved and the remainder expected to be achieved in year.
- The use of a Budget Contingency Fund will be reviewed this year to determine whether one is required for 2021-2022; this process will be informed by a review of trends in the deliverability of savings and Welsh Government settlements.
- The New Theatre income is due to rental income and that the Cardiff Castle income will come from new products stocked in the shop.
- The savings coming from the Dr Who experience building relates to cessation of security costs and rates.
- The Economic Development Directorate is losing 16.15 FTE posts, one of which is due to their role no longer being required as it relates to EU funding.
- It is not yet clear whether the review of Learning for Work funding will be part of a broader review of Further Education strategies and approaches.
- An Adult Community Learning service review is underway and a report will be brought for pre-decision scrutiny.
- Room hire charges in libraries and hubs generate approximately £100,000 per annum.

Members decided to monitor achievability of the income target for St David's Hall, with concerns expressed about whether the target was sufficiently stretching. Members accepted the offer to receive regular progress updates on work to increase the tree canopy of Cardiff. Members expressed their concerns about the proposal to relocate the Tourist

Information Centre from the Old Library to St David's Hall, in terms of both the impact on service provision and the impact on existing staff at St David's Hall; Members decided to explore this further via their ongoing Tourism task group inquiry. Members also expressed their concerns about changes to Adult Community Learning funding and offered the Committee's support to the Council in lobbying Welsh Government to ameliorate the impact of these changes.

Councillor Chris Weaver, Cabinet Member - Finance, Modernisation and Performance, responded, noting the above points and thanking the Committee for their support in the budget process.

Monitoring

Performance Monitoring

We decided to continue the approach we trialled in 2018/19 to scrutinising performance, and received Quarter 1 and 2 performance reports by email, with a summary of key points provided by the Committee's Scrutiny Officer. We then had the opportunity to review the reports, raise any concerns and decide if we needed to invite the relevant Cabinet Member and officers to a Committee meeting to discuss performance issues and mitigating actions; for Quarters 1 and 2 we have not needed to do that, with good performance reported in all the areas we scrutinise.

The corporate approach to performance reporting changed in-year, meaning reports were not published for Quarter 3. The Council has now moved to a twice-yearly performance reporting, with Quarter 4 reports expected to be available in June/ July 2020.

Budget Monitoring

We decided to continue with the approach to budget monitoring that we trialled in 2018/19, receiving Month 4, Month 6 and Month 9 budget monitoring reports by email, with a summary highlighting key areas to look at provided by the Committee's Scrutiny Officer. These reports highlighted no issues, in the areas that we cover, that required scrutiny at committee.

Directorate Delivery Plans

We considered the relevant sections of the Economic Development Directorate Delivery Plan at our meeting in June 2019 and received the Housing & Communities Directorate Delivery Plan via email in June 2019, for review and comment.

We assessed whether these Plans assisted in the delivery of Cardiff's Wellbeing Plan and the Council's Corporate Plan, whether they focused on the right issues for local communities and whether the plans were robust and fit for purpose. We checked whether resources were sufficient to deliver the Plans and whether the performance measures were sufficient to monitor delivery. We recommended that the performance indicator 'Attendance at Commercial Venues' be altered to 'Attendance at Council Venues' to make it clearer to the general public that the indicator measures attendances at venues run by the Council; this was accepted and actioned for 2019-20.

We found that the Plans were fit for purpose and that there was a sound process and performance management framework in place to monitor implementation and delivery. We used the information gained regarding future challenges and proposed actions to help inform our work programme for 2019-20.

WORK PROGRAMME FOR 2020- 21

Members of the Committee will be invited to consider items for possible inclusion in the Committee's work programme during 2020-21. Work is currently in progress to draw together issues for the Committee to consider. A draft work programme will then be developed and brought to Committee for approval and implementation. The Committee would welcome suggestions for scrutiny items from other Members. The work programme will consider post- Covid 19 recovery plans for frontline services and economic development.

FUTURE SCRUTINY WORK

Over the course of its deliberations this year, the Committee has recommended that the following items be considered for inclusion in the Committee's 2020-21 work programme:

- ❖ Cardiff Capital Region City Deal.
- ❖ Cardiff Bus Station.
- ❖ Metro Central - Cardiff Central Station.
- ❖ Cardiff East Industrial Strategy.
- ❖ Llanrumney Development
- ❖ Music Strategy.
- ❖ Multi-Purpose Indoor Arena.
- ❖ International Sports Village.
- ❖ Dumballs Road regeneration.
- ❖ Cardiff Bay regeneration.
- ❖ Heritage Buildings.
- ❖ Canal Quarter Masterplan.
- ❖ Chapters Arts Centre.
- ❖ Other Economic Development plans.
- ❖ Cardiff Harbour Authority.
- ❖ Cardiff Sport.
- ❖ Sports & Physical Activity Strategy.
- ❖ Leisure Management.
- ❖ Library Collections Policy Update
- ❖ Libraries & Hubs.
- ❖ Welsh Public Library Standards.
- ❖ Performance Reports.
- ❖ Savings Reports.
- ❖ Relevant Audit, Inspection and Regulatory Reports.
- ❖ Cabinet Responses to previous Inquiries, and implementation of agreed recommendations from previous Inquiries.

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