
DRAFT BUDGET PROPOSALS 2021-22

Purpose of Report

1. To inform Members of the context and framework for scrutinising the 2021-22 draft budget proposals and provide papers that set out the proposals.

Context

2. Each year the Council is required to approve its annual budget for the year ahead from April 2021-March 2022 at Full Council. The Constitution allows all Scrutiny Committees to consider the draft budget proposals relevant to their terms of reference, enabling non-executive Members to feed comments, observations or recommendations to the Cabinet before final budget decisions are taken. This year the Cabinet will consider the draft budget proposals on 25 February 2021, prior to their presentation to Full Council for approval on 4 March 2021.
3. The Policy Review and Performance (PRAP) Scrutiny Committee's Terms of Reference afford Members responsibility for taking an overview of revenue and capital budget proposals from a corporate, strategic point of view; checking the alignment of the budget proposals to the Council's stated Corporate Plan priorities and well-being objectives, as well as the processes by which they have been developed.
4. In addition to PRAP's strategic overview the Council's four other Scrutiny Committees will also consider the budget proposals and elements of the draft Corporate Plan relevant to their own terms of reference. Following these meetings, the Chair of each

Committee will write a letter to the Cabinet, summing up the Committee's comments. Copies of these letters will be circulated prior to the remote PRAP Scrutiny Committee meeting to inform Members' lines of enquiry in considering the overall budget.

Structure of the Meeting

5. The agenda for this meeting focusses on the Committee's corporate responsibilities, as outlined above, and this item (4) will be structured in two parts:

Item 4a - Firstly, a presentation providing an overview of all corporate budget proposals for 2021-22. This will include a summary of Covid-19 implications on the budget, and the implications for services within the Resources Directorate (Finance, HR, Digital, G&LS) that fall within the Committee's Terms of Reference.

Item 4b – Secondly a presentation on the Council's Capital Investment Programme 2021-22 – 2025/26 and Capital Resourcing for the same period.

6. To consider the overall budget proposals (**item 4a**) the Cabinet Member and officers listed below will be in attendance. Members will receive a presentation by the Corporate Director Resources and the Head of Finance (**Appendix I** attached), giving a corporate overview of the 2021-22 Budget Proposals, and the processes by which they were arrived. There will then be an opportunity for general questions on the entire Council budget proposals:

- Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance;
- Chris Lee, Corporate Director Resources;
- Ian Allwood, Head of Finance;
- Gareth Newell, Head of Performance and Partnerships & Sian Sanders, Community Cohesion Manager, with responsibility for co-ordinating the production of the Budget Consultation report 2021-22 and analysis of the results.

7. To consider the Capital Programme 2021/22 (**item 4b**) Members will hear from

- Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance;
- Chris Lee, Corporate Director Resources;
- Ian Allwood, Head of Finance;
- Anil Hirani, Capital Account Manager.

Structure of the Papers

8. To facilitate Members preparations to scrutinise the draft budget proposals a series of appendices are attached to this report as follows:

Appendix A – Budget Savings Proposals Summary 2021-22. This sets out the savings to be achieved from Directorate efficiencies, increased income, Corporate and Capital Financing Savings 2021/22. Therefore the document is comprised of a summary plus three parts:

A (i) Budget Savings Overview 2021/22

A (ii) Directorate Efficiency Savings 2021/22

A (iii) Corporate and Capital Financing Savings 2021/22

Appendix B – Directorate Controllable Budgetary Analyses. This spreadsheet sets out, for each of the ten Council Directorates, expenditure and income for the current 2020-21 financial year; and summarises 2021-22 savings proposals, allowing Members to see the overall budget context. The spreadsheet is made up of one page for each of the following directorates:

B (i) Corporate Management

B (ii) Economic Development

B (iii) Education

B (iv) Planning, Transport & Environment

B (v) Recycling & Neighbourhood Services

B (vi) Performance & Partnerships

B (vii) Housing & Communities

B (viii) Social Services

B (ix) Governance & Legal Services

B (x) Resources

Appendix C – Financial Pressures, Commitments, Realignments & Capital Ambition Policy Growth 2021-22.The spreadsheet sets these out by:

C(i) Value descending; and

C (ii) by Directorate.

Appendix D – Capital Ambition – Policy Growth Bids

Appendix E – Employee Implications of the Budget Proposals 2021-22

Appendix F – Fees and Charges 2021/22

F (i) General fund,

F (ii) Housing Revenue Account

Appendix G – Capital Investment Programme and

G (i) Expenditure

G (ii) Resources 2021-22 – 2025-26.

Appendix H – Changes for Cardiff budget consultation analysis 2021-22.

Appendix I - Presentation(s)

Summary of Budgetary Position 2021/22

9. The Local Government Financial Settlement is a key factor in drafting the budget. Due to the timing of the UK Spending Round, which took place in late November, the Provisional Settlement was delayed until 22nd December 2020. Cardiff will receive a +3.8% increase in Aggregate External Finance (AEF) in 2021/22 (£18 million in cash terms after adjusting for transfers). Cardiff's settlement is at the level of the Welsh average.
10. Resources available to the Council in 2021/22 (before any increase in the rate of Council Tax) are set out below:

Resources Available	£000
Aggregate External Finance	487,913
Council Tax (2021/22 tax-base at 2020/21 prices)	187,044
Use of Reserves	750
Resources Available	675,707

11. Resources required for 2021/22 are modelled in the table below:

Resources Required	£000	£000
Base Budget Brought Forward		656,186
Pay Award (non-schools)	3,672	
Price Inflation	3,950	
Financial Pressures	2,266	
Policy Growth	800	
Commitments, Realignments & Capital Financing	10,031	
Demographic Pressures	5,515	
Schools Growth	8,881	
		35,115
Resources Required		691,301

12. Comparing the resources available to the Council (with no increase in the rate of Council Tax) with the resources required results in the following shortfall.

Funding Gap	£000
Resources Required	691,301
Resources Available	675,707
Shortfall	15,594

13. The table below sets out how the 2021/22 Funding Gap will be addressed.

Strategy to Address Funding Gap	£000
Savings Proposals	10,244
Council Tax increase at 3.5% (net of CTRS)	5,350
Shortfall	15,594

14. Revenue Budget Savings - the 2021/22 Budget is predicated on the delivery of £10.244 million in efficiency savings, including a 1% efficiency proposal in Schools (£2.540 million) along with £7.704 million in other directorates as summarised below:

Nature of Saving	£000
Review of staffing arrangements	1,706
Reductions in premises costs	762

Reductions in external spend	2,224
Capital financing (early repayment)	1,300
Income	1,712
TOTAL	7,704

Financial Resilience Mechanism

15. The Council has a £3.8 million budget called the Financial Resilience Mechanism (FRM) that was set up to help the Council deal with funding uncertainty. It is used to invest in priority areas, but investment is one-off and determined each year. This means that the budget is used proactively, but could be deleted in future if required, without affecting day-to-day services.

16. In the context of the better than anticipated funding position, the FRM will not be required to address the funding position and is therefore available for one-off investment. The table below provides a summary of how it will be used.

FRM – One-off use for 2021/22	
Category	£000
Cleaner and Greener Cardiff	1,282
Children and Young People	1,057
Support for Communities	651
City Infrastructure	810
TOTAL	3,800

17. The Council will also maintain its General Contingency of £3 million in 2021/22. In the past, this was specifically held to protect the Council against late or under-delivered savings. The savings requirement for 2021/22 is lower than in previous years, and the revised approach to identifying and implementing savings should offer greater assurance with regard to their successful and timely delivery. However,

it is not proposed to reduce the general contingency for 2020/21 for the following reasons:

- The position over the medium term is uncertain, and the lower savings requirement for 2021/22 cannot be assumed to become the norm.
- The exposure to additional cost in relation to demand-led services, where that demand is difficult to predict.
- The uncertainty brought about by the pandemic and the difficulty in judging what the long-tail effects of COVID19 may be on the economy, public finances generally, and future demand on services.
- The comparatively low level of the Council's reserves

COVID-19 Pandemic

18. The ongoing COVID-19 pandemic continues to have a significant financial impact on the Council. During 2020/21, additional costs associated with COVID-19 have included the procurement of protective equipment, provision of emergency accommodation for homeless people, and the continued provision of food / financial assistance to those entitled to free school meals whilst schools were closed, and to pupils self-isolating. They also reflect the provision of financial support to care providers, supplier relief in other areas and operational changes required to ensure the safe delivery of services.

19. In addition, income loss associated with the pandemic reflects the closure of the Council's cultural and sporting venues, including theatres, Cardiff Castle and Cardiff International White Water. It also reflects a reduction in activity in other income generating areas including planning, parking, moving traffic offences, trade waste and school catering.

20. To date, the WG has committed £557 million as part of a COVID Hardship Fund to support Local Authorities during 2020/21. As at the end of December 2020, the Council's accepted and pending claims to WG totalled over £37 million in respect of expenditure and over £30 million in respect of income.

21. The table below focuses specifically on the particular risks that pose the greatest threat to financial resilience during 2021/22, considered under four key drivers.

Wider Issue	Potential Implications for Cardiff Council	Rate
Failure of businesses / Unemployment	• Potential increase in Council Tax Reduction Scheme Demand	R
	• Loss of investment estate income	R
	• Free School Meals - any eligibility increase	R
	• Potential need to increase Bad Debt Provisions	RA
Public Health Measures	• Ongoing loss of income - venues, music service etc.	R
	• School catering - ongoing viability of current model	R
	• Provider and Supplier viability	R
	• Ongoing costs of PPE	RA
	• Any learning needs catch up (post schools closure)	RA
	• Cleansing - schools and offices	A
	• Test Track Protect - assume funding ongoing and sufficient	A
Behavioural Shift	• New transport norms - impact on Parking & CPE income	R
	• Impact on Cardiff Bus	RA
	• More emphasis on outside space - maintenance / cleansing	A
	• Switch in waste streams - more household waste	A
	• Office and ICT requirements - new ways of working	A
Demographics	• Will there be increased family breakdown?	R
	• Difficulty in predicting demand in Adult Social Care	RA
	• Homelessness - transitional arrangements / any increase	A

BREXIT Arrangements

22. A second specific risk factor, which forms part of the background against which the 2021/22 Budget is being set, is the impact of the recently agreed Trade Deal with the European Union. There is a need to closely monitor and react appropriately to any practical implications that arise across the range of services delivered.

Summary of proposals within each Appendix:

Budget Savings Proposals 2021-22	Appendix A
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9. The proposed savings within this year’s budget proposals total **£10.244 million**. They have been categorised as ***efficiency, corporate and capital financing*** savings and ***schools efficiency*** savings.

- **£5.540 million** are savings from **Efficiency Savings**;
- **£2,164 million** are **Corporate and Capital Financing Savings**;
- **£2,540 million** are **Schools Efficiency Savings**

10. Detailed efficiency savings are set out for each Directorate in **Appendix A (i)**. The spreadsheet sets out a number of details for each proposal: For each numbered proposal (line) Members will find (L-R):

- The Directorate against which the savings is proposed;
- A reference number for the proposal
- The savings proposed and an explanation of the proposal;
- X-Ref - Budget Analysis Sheet Cross Reference, allowing the savings proposal to be tracked to the sub-division of the service from which it is proposed to be taken, when cross referenced with the Directorate Controllable Budgetary Analyses (**Appendix B (i-x)**);
- A breakdown of the saving, for example will it be derived from ‘*employee costs*’, ‘*other spend*’, or ‘*income*’;
- A risk analysis in respect of an achievability rating (*Green, Amber-Green, Amber, Red Amber, Red*) the residual risk, and an Equalities Impact Assessment (EIA) rating;
- The Cabinet Portfolio in relation to the proposed saving;

11. Of particular interest within the Committee’s Terms of Reference will be:

Corporate Management		£000
1	Reduce budget for past service contributions	63
Economic Development		

10	Review of staffing resources in Security Service	26
15	Remove Office Rationalisation budget as no longer required	92
16	Review of staffing resources in Strategic Estates	30
17	Increase Income from Property Estate - <i>the letting of vacant units and rent review uplifts</i>	35
21	Building Maintenance	30
22	Review of staffing resources in Facilities Management	25
25	Increase Income from Property Estate	15
Performance and Partnerships		
49	Review of staffing resources in Policy and Partnerships and Performance Management	138
50	Efficiency Savings in Media and Communications	4
Resources		
69	Resetting of Insurance Offer	217
70	Review of staffing resources in Information Governance	25
71	Review of staffing resources in Revenue Services	35
72	Increase Income from Health & Safety Training in HR	66
73	Realign and Charge to Capital Projects	100
74	Occupational Health Nurse NHS -Partner	17
75	Review of staffing resources in Enterprise Architecture	50
76	Review of staffing resources in ICT	25
77	Tech Fund Contribution to Budget	50
78	Increased Income from Procurement	120
79	Increase Vacancy Provision across Resources Directorate	91
80	Review of staffing resources in the Business Support / Administration Function	40
81	Increased Income from Information Governance	20
82	Review of staffing resources in Accountancy	60
83	Increased Income from HR	15

12. Additionally there are corporate and capital financing savings as follows:

Ref	Saving Description	£000
1	Single Status Budgets	404
2	Building Services Pricing Model	350
3	Reduction in Corporate Insurance Budget	100
4	Utilities in Core Buildings – City & County Hall	85
5	Car Allowances	140
6	Fuel	60
7	Direct costs of Postage	34
8	PrintSmart - Variable Costs, General Printing and Stationery	95
9	Capital Financing Savings - Invest to Save Schemes	896

13. This year a number of cross-cutting areas with potential for future savings have been identified. In the following areas it is proposed to centralise budgets for one year pending review in 2022/23

Ref	Saving Description	£000
1	Public Transport	32
2	Conference/ Convention / Accommodation	91
3	Subsistence	69
4	Refreshments - Meetings	23
5	Office Furniture	165

Directorate Controllable Budgetary Analysis 2020-21

Appendix B

14. The ten Directorate Controllable Budgetary Analysis sheets attached at **Appendix B** provide current year (2020/21) expenditure and income information, and savings proposals by Sub-Divisions of each Service. For example Resources includes the budgets for Finance, Commissioning & Procurement, Health & Safety, Human Resources, Digital Services and Fleet Services.

15. **Appendix C** is a summary of Financial Pressures the Council faces in 2020-21.

Members may wish to refer to all pressures listed when considering the budget overview. The pressures have been categorised into pressures, commitments, expenditure & income realignments, and capital ambition policy growth. For clarity these are defined as:

- Financial Pressures – issues anticipated for 2021/22 that will result in a financial pressure (£2,266m). For example demand for the Council Tax Reduction Scheme and an increase in domestic waste.
- Commitments – includes cost implications of previous Cabinet or Council decisions (£2,045m). For example, a contribution to the Homelessness Reserve and funding the Children’s Social Worker Market Supplement. It also includes increases to levies that the council is committed to paying
- Expenditure & Income Realignment - allocation to realign existing budgets in response to issues identified in the current year’s monitoring position (£5,139m). For example out of county placements and external legal fees
- Policy Growth - budget growth to support Capital Ambition policy initiatives (£800m). For example, playground management and One Planet Cardiff.

16. Total pressures council wide are £10,250 million. Of particular interest within the Committee’s terms of reference will be:

- **Pressures:** £750,000 to support demand for the Council Tax Reduction Scheme
- **Commitments:** £240,000 to reinstate the base budget for the Project Management Team; £200,000 to facilitate service transformation post pandemic and £30,000 for a Members' Pay Award
- **Expenditure & Income Realignments:** £300,000 on external legal fees.

- **Appendix D** provides the detail if Members wish to drill down further into the funding proposals to support policy growth in 2021-22 set out in Capital Ambition. Of particular interest within the Committee’s terms of reference will be £50,000 for

the development of digital services and £15,000 allocated to the equalities training budget.

Employee Implications

Appendix E

17. The Employee Implications of the Budget, attached at **Appendix E** illustrates the posts to be deleted or created as a result of budget proposals. Overall, the budget proposes a reduction of 18.98FTE posts. The net position for each Directorate is as follows, note that figures in brackets represent a loss and that not all Directorates have employee implications within the budget proposals:

Directorate	FTE Employee loss/gain
Economic Development	(.7)
Education	5
Housing & Communities	(4.0)
Social Services	(3.0)
Performance and Partnerships	(2.8)
Planning, Transport & Environment	(4.0)
Resources	(3.5)
Total Council	(13.0)

18. Of particular interest within the Committee’s remit will be a reduction in staff costs in Policy, Partnerships & Performance Management (2.8) and in Resources (3.5)

Fees and Charges 2021-22

Appendix F

19. **Appendices F (i) and F (ii)** provide a list of Fees and Charges for 2021-22.

Appendix F (i) includes charges for the whole range of Council services, some of which are set by Welsh Government. **Appendix F (ii)** lists charges that apply to the Housing Revenue Account (HRA), again some are under Welsh Government guidelines.

20. The Council's Capital Strategy is an integral part of its strategic and financial planning framework, which includes Capital Ambition, Corporate Plan, Revenue & Capital budgets, Medium Term Financial Plan, and Treasury Strategy. The Council's Capital Programme for the next 5 years will be presented and considered separately at the meeting. Members are referred to **Appendix G** to support this section of the meeting.

24. Successfully delivering the commitments set out in Capital Ambition will require capital investment and having a capital strategy in place informs capital investment decisions by providing a framework, which will:

- provide a longer term view of capital expenditure plans whilst setting out all the financial risks to which the authority is exposed
- ensure decisions can demonstrate sufficient regard to the long term financing, affordability implications and potential risks to the authority
- provide an overview of the Council's asset management planning arrangements, which includes any maintenance requirements that have resource and business planning implications.

21. The Capital Investment Programme is a 5 year rolling programme with robust processes in place to approve, manage and monitor capital projects arising from the Capital Strategy.

22. The Capital Investment Programme for 2021/22-2025/26, attached at **Appendix G (i)**, proposes total capital expenditure of £1,290,055 million over five years. The Programme has two parts, a **General Fund**, and the **Public Housing Capital Programme (HRA)**.

Part one, the General Fund has different categories of expenditure as follows:

- a. **Annual Sums** - for example line 11 – Street Lighting Renewals. To replace and install new street lighting columns including renewal of electrical cabling.*

- b. **Ongoing Schemes** – for example line 46 - Central Square Public Realm - *Completion of Central Square public realm following completion of development.*
- c. **New Capital Schemes** - for example line 77 – Corporate ICT Systems - *To replace failing/non-compliant hardware for corporate systems in line with asset replacement plan.*
- d. **Schemes funded by Grants and Contributions** – for example line 84 – Reducing Infant Class Sizes. *To create the necessary additional space required to deliver the foundation phase in reduced infant size classes. Completion of schemes at St Fagans and St Francis.*
- e. **Existing Invest to Save Schemes** – for example line 105 – Core Office Strategy – Digital Infrastructure. *Smarter working, digital infrastructure and building adaptations to allow the relinquishment of Willcox House.*
- f. **New Invest to Save Bids**- for example line 116. International Sports Village (phase 2) - *Subject to a business case and a report to Cabinet, delivery of a velodrome and clubhouse, a cycle circuit, Toys R Us refurbishment, car parking, highways and public space, repayable from potential operator and rental income.*

23. Part two of the Capital Investment Programme is the **Public Housing Capital Programme (HRA)**, for which all funding is ring fenced. For example line 123, Disabled Facilities Adaptations - *To provide adaptations and internal modifications to allow the recipient to live independently within the home.*

24. The Programme proposed includes the second and final tranche of viability support (£6.6 million) to be given to Cardiff Bus ('The Company'), which was referred to in a report to Council in October 2020 headed "Securing the Future Sustainability and Viability of Cardiff City Transport Services limited". The October Council report recommended, amongst other things, that any release of funds allocated in future years will be subject to review and included as part of future budget proposals. Following a review by the Board of the Company, this is the only opportunity to secure a Department for Transport Grant (£5.7m) towards Ultra Low Emission Buses and ensure this is not lost to the company as a means of setting in place a vehicle replacement strategy as part of securing financial viability. All other material facts as

set out in that report remain relevant. It is therefore proposed that the final tranche of viability support (£6.6 million) be released to the Company in 2021/22, to allow the Company to implement that part of its Turnaround Strategy relating to fleet investment and strengthening the balance sheet. If approved, this will be done via the issue and acquisition of additional equity in the company during 2021/22.

25. New Capital investment projects proposed as part of the budget include:

- A new neighbourhood, district and local centre regeneration scheme
- Additional funding for schools property asset renewal
- Developing opportunities for youth activities
- Match funding for schemes to support the One Planet Strategy in addition to the specific projects included in the programme
- Additional investment in parks and green spaces including playgrounds
- New public realm and exposure of the dock feeder pace as part of air quality improvements at Churchill Way
- Improvements to Children's respite provision

26. Capital investment proposed on the basis that existing budgets or income is to be generated to meet the capital financing costs over a prudent period include:

- Supported living projects for adults with complex needs
- Supported accommodation for young people to help them live independently
- Residential provision for children within the city.
- Implementation of a district heat network delivered via a new company subsidiary
- Subject to approval of a business case and WG funding construction to address flood and coastal erosion risk at the estuary of the river Rumney.
- Redevelopment of Pentwyn Leisure Centre
- Implementing the master plan for the International Sports Village
- Indoor Arena enabling costs and subject to due diligence, direct funding of the arena construction by the Council as an alternative for third party funding. This will be fully funded by annual lease income from the Arena Operator.

27. **Appendix G (ii)** sets out the total resources required to fund both General and Public Housing parts of the capital programme.

28. In summary the table below shows capital expenditure and resources for 2021/22 with indicative expenditure and resources for the following 4 years up to 2025/26

Capital Programme	2021/22* £'000	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	Total £'000
Annual Sums Expenditure	26,121	21,282	18,940	17,515	17,815	101,673
Ongoing schemes	36,199	59,211	27,059	1,899	225	124,593
New Capital Schemes	3,035	7,625	11,700	6,650	5,650	34,660
Schemes Funded by External Grants and Contributions	56,627	24,278	42,464	77,231	33,479	234,079
Invest to Save Schemes	35,631	138,936	170,874	17,250	11,776	374,467
Total General Fund	157,613	251,332	271,037	120,545	68,945	869,472
Total Public Housing (HRA)	86,740	117,685	91,350	70,350	51,240	417,365
Total Capital Programme	244,353	369,017	362,387	190,895	120,185	1,286,837

Capital Resources	2021/22* £'000	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	Total £'000	%
WG General Capital Funding - Supported Borrowing	8,845	8,845	8,845	8,845	8,845	44,225	3.4
WG General Capital Funding - Grant	8,868	5,712	5,212	5,212	5,212	30,216	2.3
Major Repair Allowance Grant (HRA)	9,500	9,500	9,500	9,500	9,500	47,500	3.7
Additional borrowing	134,119	287,715	270,678	74,397	50,539	817,448	63.5
Earmarked Capital Receipts	7,000	18,742	10,250	4,200	5,000	45,192	3.5
Non earmarked Capital Receipts	6,000	5,000	5,000	5,000	5,000	26,000	2.0
Revenue & Reserves	2,660	2,660	2,738	2,610	2,610	13,278	1.0
Other External Grants and Contributions	67,361	30,843	50,164	81,131	33,479	262,978	20.4
Total Resources	244,353	369,017	362,387	190,895	120,185	1,286,837	100.0

Budget consultation on Savings Proposals

Appendix H

29. As well as supporting organisational priorities, budget preparation has regard for the views of key stakeholders. In addition to public consultation, engagement on the 2021/22 Budget took place with the following stakeholder groups.

- a. Scrutiny Committees
- b. Trade Unions
- c. Employees
- d. School Budget Forum

e. Audit Committee

30. Citywide public consultation on the Budget took place between 13th January 2021 and 10th February 2021. The consultation took place when the whole of Wales was at its highest alert level for the Coronavirus Pandemic, when people were only able to meet with members of their household or support bubble. This meant that face-to-face engagement could not take place, and that consultation was conducted electronically.

31. As part of the consultation, citizens were given the opportunity to prioritise different areas of service delivery. The table below summarises their top three priorities and indicates how the 2021/22 Revenue Budget and Capital Programme 2021/22-2025/26 support these areas.

Priority	Features of Budget & Capital Programme
Leading an economic recovery through supporting businesses and workers and delivering our major regeneration schemes	<ul style="list-style-type: none"> • £73m - Support for Cardiff Capital Region City Deal (CCRCD) Projects • £22.5m – for delivery of the International Sports Village Master Plan • £24.3m direct capital contribution towards construction of a new indoor arena • £186.6m – direct borrowing to facilitate the construction of the area, to be paid for by rental income • £50,000 – revenue funding to provide direct policy support for the City Region, Great Western Gateway and other Strategic Partnerships
Investing in our schools and improving educational attainment and supporting children and young people	<ul style="list-style-type: none"> • £251m - 21st Century Schools Band B investment programme • £54.7m - investment in the existing schools estate • £6.2m - net additional revenue support for Children’s Services • £6.3m - net additional revenue support for Schools • £0.2m - for Child Friendly City Initiatives - Children’s Universities and Innovation Labs • £0.5m - to extend WG school holiday catch-up funding to secondary age pupils • £0.3m – funding to support the most vulnerable young people to be able to transition to Education Employment and Training (EET) and to re-engage those young people who have dropped out of EET during the pandemic.
Keeping our communities safe and tackling anti-	<ul style="list-style-type: none"> • £0.2m to combat motorcycle nuisance • £0.5m to meet demand for additional alley-gating schemes

social behaviour	<ul style="list-style-type: none"> • £2.1m - the COVID crisis has amplified the importance of local spaces, shopping and services for communities. This sum will support public realm and green space improvements, community safety measures and improved neighbourhood facilities to help communities to adapt and thrive. • £29.9m on wider neighbourhood regeneration initiatives • £3.2m - investment in Youth and Wellbeing Hubs
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32. The Changes for Cardiff budget consultation results have now been analysed and a full copy of the report is attached at **Appendix H**. A combined total of approximately 2,870 responses were received; this compares to 2,051 responses in 2020/21 and 2,078 in 2019/20.

Scope of the Scrutiny

33. The scope of this pre-decision scrutiny is to consider:

- The overall Corporate budget proposals in terms of their relationship to the Corporate Plan 2020-21, to test whether they will support delivery of the aims and priorities set out in the Plan, and to test the processes and assessments used in their development;

Way Forward

34. Cabinet Members and officers will be attending the meeting as set out in the 'structure of the meeting' section above. Members are invited to question those in attendance, and during discussion at the Way Forward agree the comments, concerns and observations that should go forward for consideration by the Cabinet.

Legal Implications

35. 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 of 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

36. 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

Members are invited to consider the information presented in these papers and at the meeting, and refer any comments, observations and concerns for consideration by the Cabinet prior to its meeting on 25 February 2021.

DAVINA FIORE

Director of Governance and Legal Services

19 February 2021