

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

1 MARCH 2023

Present: Councillor Williams(Chairperson)
Councillors Ash-Edwards, Chowdhury, Ferguson-Thorne,
Henshaw, Hunt, Thomson and Waldron

50 : APOLOGIES FOR ABSENCE

None received.

51 : DECLARATIONS OF INTEREST

All Members of the Committee declared a personal interest in item 6, as advised by counsel, as the Council has a conflict of interest as the Corporate Trustee and the Local Educational Authority.

Cllr Hunt declared a further personal interest in item 6 as he knows a member of the advisory panel, he had sought legal advice on this declaration.

Cllr Chowdhury declared a further personal interest in item 6 as her son attends Cathays High School.

52 : MINUTES

The minutes of the meeting held on 17 January 2023 were approved as a correct record.

53 : CORPORATE PLAN 2023 - 26

Members were reminded that this item provided an opportunity for the Committee to undertake pre-decision scrutiny of the final draft Corporate Plan 2023-26. The Leader and senior management team had engaged informally with the Scrutiny Performance Panel comprising chairs of all five scrutiny committees recently, focussing on the target setting process for the Corporate Plan. Following the discussion, the recommendations comments, observations and concerns of scrutiny were relayed to the Leader and a response received shortly after, prior to publication of the final draft of the Plan. The issues raised and the Cabinet response were appended as appendices 2&3 to this item.

For this item, the Chairperson welcomed Councillor Huw Thomas, Leader of the Council; Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Paul Orders, Chief Executive; Sarah McGill, Corporate Director People & Communities; Chris Lee, Corporate Director, Resources; Gareth Newell, Head of Policy & Partnerships; and Dylan Owen, Policy & Improvement Manager.

The Chairperson invited Cllr Thomas and the Chief Executive to make statements, after which Members were asked for their comments, observations and questions.

The Committee was of the view that there are small additions to the Corporate Plan that would improve its presentation as a public document. Members considered that the addition of a column in the KPI section indicating the position at the previous year end, would enable comparison with future targets and performance progress. Members noted that they have access to the Corporate Performance Dashboard, and that Officers would be running training sessions for Members on this, however the public do not have such access. Officers advised that they would review this but are keen to strike a balance between clarity and detail.

Cross Directorate Work

Members considered the Corporate Plan to be a good piece of work but encouraged Officers to avoid the build-up of silos, and that reflecting greater cross directorate work would improve the plan further.

Advice Services

The Committee drew attention to the need for good quality citywide advice services, given the current cost of living climate. Members noted the Council has experienced a significant increase in demand for its into work and money advice services in the past year, as more people become eligible for support. Members were also pleased to hear there has been work with our partners to streamline the gateway to advice services. Officers advised that the Community and Adult Services Scrutiny Committee has highlighted similar concerns as the provision of services through third sector organisations has decreased over recent years. Officers offered to return to committee to provide a better understanding for the demand for, and provision of, advice services available across the city.

Workforce Resilience

Members asked if Officers were confident that staff are coping with the demands where there are reductions in staffing levels. Members were pleased to hear that the formalisation of volunteering as a workplace opportunity has been a great success in areas such as libraries, and through activities such as litter picking as the Council steps up in its role as a facilitator of better communities.

The Committee heard that the FTE headcount reduction proposals in the budget were consistent with Corporate Plan deliverability, and that business cases for all voluntary severance proposals were a matter of course. Members were concerned that an over stretched workforce is a threat to the Council's resilience and were keen to ensure appropriate well-being measures were in place to mitigate unnecessary workplace stress. Officers acknowledged the importance of recognising staff given their critical role in delivering successful services, and that the budget factors in the local government pay settlement. Members also noted that the Chief Executive considers there is appropriate care and discussion on how savings are constructed.

AGREED: that the Chairperson, on behalf of the Committee, writes to the Cabinet Member conveying the observations of the Committee when discussing the way forward.

54 : DRAFT BUDGET PROPOSALS 2023 - 24

The Chairperson welcomed Councillor Chris Weaver, Cabinet Member Finance, Modernisation and Performance; Chris Lee, Corporate Director Resources; Sarah McGill, Corporate Director, People & Communities; Ian Allwood, Head of Finance;

Gareth Newell, Partnership and Community Engagement Manager and Anil Hirani, Operational Manager, Capital, Corporate & Treasury.

Members were advised that in line with Committee's Terms of Reference, they have responsibility for taking an overview of both *Revenue* and *Capital* budget proposals from a corporate and strategic point of view.

The Chairperson proposed to split scrutiny of this budget item into two parts. Firstly, an overview and questions on the 2023/24 corporate wide revenue budget proposals, followed by Members questions on the capital programme.

The Chairperson invited Cllr Weaver to make a statement on the 2023/24 budget, then Officers provided a brief verbal overview of the Corporate Revenue Budget. Members were then asked for their comments, observations and questions.

Revenue Budget

The Committee made a number of observations. The following responses were noted:

- Fees & Charges - that increases in Fees and Charges for Council Services are very much led by service areas themselves.
- Energy Prices – the proposed budget aims to offset the volatility faced in respect of energy pricing. Finance officers have made well informed best projections, and the Council is purchasing energy in advance where possible.
- Inflation - the Council's regular budget monitoring reports throughout the year will ensure inflation is factored into its financial resilience. However, continuing increases in inflation will impact on the budget.
- Grant Funding – all Directorates remain acutely aware of their grant funding positions and the Council takes advantage of grant funding wherever possible.
- The Covid Contingency Fund (£10m) has been realigned.

Financial modelling

Members sought assurance that the financial modelling used to determine the budget allocated to Directorates is effective, particularly in respect of demand led services. Members noted the Finance service works closely with all Directorates, modelling different scenarios and ensuring that contingencies are put in place, particularly for the Adult and Children's Services Directorates.

Council Tax

Members supported containing the increase in Council Tax below the rate of inflation and noted the difficult balance to be struck and that the level of increase is dependent on the budget gap. In respect of Council Tax Collection rates, Members noted that more streamlined processes are now in place that are resulting in an increased collection rate.

Employee Implications

Members highlighted that most of the Council's budget savings are made through the loss of staff and noted the headcount reduction in this budget is larger than in

previous years. Members also noted that officers consider some vacant posts simply must be filled.

Members expressed concern for staff welfare and considered that a level of experience amongst staff across Directorates must be maintained.

General & Earmarked reserves

The Committee sought reassurance that the level of reserves held by the Council are appropriate. Officers advised that Audit Wales do not issue a recommended figure they consider appropriate for reserves, Members were pleased to hear the level of earmarked reserves has increased over recent years and the section 151 officer is comfortable with the current level of reserves.

Budget Consultation

The Committee noted that Cabinet's response when the public respond negatively to a budget consultation proposal is based on its stated priorities. Officers referred to specific examples – shorter library opening times, and residential parking second permit prices – where public opinion was divided and that the former was being rejected whilst the latter was accepted.

Members clarified that the Indoor Arena was not a part of the budget consultation as it is not a new proposal. Members were keen to establish that this development project would be cost neutral to the Council and noted that an initial capital allocation of £27m funded by earmarked capital receipts would enable the project's commencement, and thereafter the venue would become self-funding via an operator agreement and is an invest to save project.

Capital Budget

The Committee was reminded that borrowing to fund Capital commitments is a general Council commitment rather than by individual project. Members were reassured that the Council seeks external advice to ensure its capital repayment strategy to cover £870million of commitments over the next 3-4 years. Members noted the impact of this on the Revenue budget was approximately £34million per annum. Members were reassured that the presentation of business cases is the base for decision-making, and that there are formal governance arrangements in place via the Treasury Management Strategy, overseen by the Governance & Audit Committee.

AGREED: that the Chairperson, on behalf of the Committee, writes to the Cabinet Member conveying the observations of the Committee when discussing the way forward.

55 : MAINDY PARK TRUST ADVISORY COMMITTEE

The Chairperson advised Members that this was an opportunity for pre-decision scrutiny of the process followed by the Maindy Park Trust Advisory Committee to progress the matter of the proposed exchange of land at Maindy Park held in Trust by the Council, for land at Cae Delyn, and the Committee's recommendations to Cabinet.

Members had previously scrutinised the decision-making arrangements on this matter and the Chairperson had specifically requested that the recommendations of the Advisory Panel come back to Committee prior to consideration by the Cabinet.

The Council appointed the independent Maindy Park Trust Advisory Committee to review the proposed land swop. The Advisory Committee has now completed its investigations and evidence gathering from internal and external stakeholders, published its decision and is making recommendations to Cabinet as sole Trustee of Maindy Park Trust.

The Advisory Committee have concluded that the proposed exchange of the Maindy Park land for the land at Cae Delyn Park *is* in the best interests of the Charity, *subject to compliance with a number of conditions*.

The Chairperson welcomed Cllr Ashley Lister, Cabinet Member, Social Services (Children). Cllr Lister is considered a non-conflicted Cabinet Member on this matter. As a new Cabinet Member in this 2022 administration, he has had no previous involvement, or personal interest, in the Council's development proposals concerning Maindy Park.

The Chairperson also welcomed Davina Fiore, Director of Governance & Legal; Jason Bartlett, Chair of Maindy Advisory Committee; and Harriet Morgan, Geldards Solicitors. The Chairperson invited Cllr Lister to make a statement and Mr Bartlett was invited to summarise the findings of the Advisory Panel.

Members referred to the proposals for Cathays High school and sought assurance that the land swop was not a *fait accompli*. Officers assured Members that Cabinet had not been put under any pressure to reach a certain outcome, there had been complete independence and external advice had been sought so there could be no allegations of improper influence.

Discussing the valuation report, Officers assured Members that the land swop would be in the best interests of the Charity, and that some land at Maindy would remain under Charity control so that more people in Cardiff could use the Charity land. Members were also assured that the valuation report was prepared by an expert, and an independent valuer had attended all the meetings and answered lots of questions.

Members referred to Caedelyn acting as a flood defence mechanism. Members were advised that this had been looked at in detail and a condition had been arranged around drainage.

A discussion took place about overage at the land at Maindy. There was a restricted covenant on the land held in trust and it can be used for recreation use only. The Council has statutory powers to overcome this, but the overage is for 75 years as this was the life span of a school building at the time it was added.

Members sought confirmation of the exact area of land at Caedelyn proposed as the swop for land at Maindy and if it constitutes the whole of Caedelyn or a part thereof. Members were advised that this information would be sought and provided after the meeting.

Members requested the crime statistics reported to the Panel for the proposed area of land swop, and requested this is made available to the public. Members were advised that this would be provided.

Members asked why condition 5 had been added and were advised that this was to reflect the importance that the Director of Governance and Legal and the Advisory Committee puts on the point, appreciating how difficult and upsetting it has been for the objectors and to ensure it doesn't happen again.

Members discussed accessibility of both sites and were advised that after hearing the oral objections, the panel visited the sites and considered that Caedelyn would be appropriate if remedial works to make it more accessible were undertaken. There would also be some improvements made to the Maindy land to make it more accessible.

Members discussed Governance and beneficiaries and were advised that the original covenant was circa 1919 and had no limits, later, 1988, it was considered the beneficiaries should be the people of Cardiff and that is what has been negotiated with the Charity Commission. Further discussion took place around Cardiff being built out since these dates.

Members sought clarification on the current usage of the land at Caedelyn and what part of it was being included in the swop. Members were advised that the current use is some pitches and recreational/walking space which would remain for those who currently use them. The detail on what part of the land would be swapped would be clarified and provided to Members.

Members noted the recommendation that the new velodrome should be built and operational before the swop takes place and asked why this was. Members were advised that it was to ensure there was no gap in provision.

Members asked if there were any tax implications to the land swop and were advised that there were none.

Members noted that the only document they have is the original conveyance document and asked if there were any others they could have had to make their decision easier. Members were advised that the governing document was the conveyance document which was not uncommon for gifts at that time.

AGREED: that the Chairperson, on behalf of the Committee, writes to the Cabinet Member conveying the observations of the Committee when discussing the way forward.

56 : URGENT ITEMS (IF ANY)

None received.

57 : WAY FORWARD

58 : DATE OF NEXT MEETING

22 March 2023.

The meeting terminated at 1.25 pm

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