

**CABINET RESPONSE TO THE REPORT BY THE ECONOMY & CULTURE
SCRUTINY COMMITTEE INQUIRY – ‘SHAPING CARDIFF’S POST PANDEMIC
ECONOMIC RECOVERY’.**

Purpose of report

1. To update Members on the Cabinet response to the recommendations made in the Economy & Culture Scrutiny Committee January 2023 inquiry report ‘*Shaping Cardiff’s Post Pandemic Economic Recovery.*’

Background

2. During discussions to inform the Committee’s work programme for the municipal year 2022-23, several Committee Members suggested exploring the Council’s role in assisting various aspects of Cardiff’s economic recovery post pandemic. Following initial scoping meetings, Members agreed the following terms of reference:
 - *To explore with key stakeholders what the Council’s role should be in assisting Cardiff’s economy to recover post-pandemic, in the context of limited funding, looking in particular at:*
 - *Remote and co-working needs and requirements*
 - *Support for small businesses and independent artists*
 - *Role of Local and District Centres*
 - *Role of City Centre*
 - *15-minute city model*
 - *Broadband provision*
 - *To reference good practice from other cities that have adopted the 15-minute city model, identifying key lessons that are applicable to Cardiff*
 - *To utilise the findings from the above to make informed recommendations to all relevant parties on the most appropriate approaches to take in Cardiff.*

3. The Committee agreed the following membership for this task group:
 - Councillor Wong
 - Councillor Berman
 - Councillor Henshaw
 - Councillor Jenkins
 - Councillor Lloyd Jones.
4. The task group heard evidence from several internal and external witnesses, including relevant Cabinet Members, senior officers, Creative Economy Unit/ Creative Cardiff, Cwrt Co-Working, FSB Cymru, For Cardiff, Local and District Centre traders, Royal Town Planning Institute Cymru, Town Square, Stiwdio – University of South Wales, and Welsh Government.
5. Scrutiny Services paid for questions relevant to this Inquiry to be included in the Council's Ask Cardiff survey, available to all residents to complete. Scrutiny Research also undertook a bespoke survey targeting remote workers, small businesses, and city centre, local and district centre traders. FSB Cymru also undertook a bespoke survey of some of their Cardiff members, which explored issues pertinent to the Inquiry.
6. Desk based research was undertaken to inform briefing reports provided ahead of Inquiry meetings.
7. The task group used the evidence gathered by the Inquiry to identify suitable key findings and recommendations and the Inquiry report was approved by Committee on 18 January 2023. The report for this task and finish inquiry was presented to Cabinet at their meeting held on 2 March 2023.
8. The full report for this inquiry is attached as Appendix A of the Cabinet response, attached at **Appendix 1**, and is also available as Agenda Item 10 at: [Agenda for Cabinet on Thursday, 13th July, 2023, 2.00 pm : Cardiff Council \(modern.gov.co.uk\)](#)

Cabinet Response to Recommendations

9. The Cabinet agreed their response to the Inquiry recommendations at their meeting on 13 July 2023. Attached at **Appendix 1** is a full copy of the Cabinet

paper; Appendix B sets out the recommendations made and the Cabinet response to each recommendation.

10. Overall, the Committee made **nineteen** recommendations to the Cabinet. The Cabinet response shows that:

- **16** of the recommendations are accepted – *R1 – R11, R13 – R16 and R18*
- **3** of the recommendations are partially accepted – *R12, R17 and R19.*

11. Of the recommendation **partially accepted**:

- *R12 – Within 3 months, the Cabinet passes on to Welsh Government the views expressed to this Inquiry, regarding extending the discretionary Business Rate Relief programme, as set out in KF15 of this report.* The Cabinet response states they will write to the Welsh Government expressing support for the extension of the discretionary Business Rate Relief programme where appropriate. It highlights the need to remember the programme is to support employment in businesses exposed to pressures as a result of the pandemic, rather than targeting sectors per se. It concludes that officers will explore changes to the programme in the context of the cost-of-living crisis and how the Council can support employment across all the city's communities.
- *R17 – Within 6 months, the Cabinet tasks officers to explore the viability of setting up a scheme to provide small sums of monies to support entrepreneurs and the growth of start-ups in Cardiff, similar to the scheme operated by Newport City Council.* The Cabinet response highlights the differences between Cardiff and Newport, with Cardiff having a much higher start-up rate and business birth rate. The response states that supporting start-up businesses requires far higher due diligence levels and that previous schemes did not provide value for money in terms of outcomes. The response highlights that the Council has a business grant scheme that supports growing existing businesses and that the Council will explore other means of supporting the city's start up community via the Shared Prosperity Fund.
- *R19 – Within 12 months, the Cabinet tasks officers to prepare an Affordable Workspace Policy, for inclusion in the replacement Local*

Development Plan, which includes consideration of the efficacy for Cardiff of space and risk registers as well as vacant unit incentives and disincentives for landlords. The Cabinet Response states the Council is exploring ways of ensuring new developments bring forward affordable workspaces and will continue to provide support on a targeted basis to high streets. The response states that officers will explore the potential of incentives and disincentives for vacant commercial properties but that this needs to be considered against value for money considerations, and the risks of unintended consequences that may arise from market interventions and distortions.

Way Forward

12. Councillor Huw Thomas (Leader), Ken Poole (Head of Economic Development), Jon Day (Operational Manager, Tourism and Investment) and Rebecca Hooper (Operational Manager, Neighbourhood Regeneration) have been invited to present the response to the inquiry and present any progress made in addressing the issues raised and recommendations approved.

Legal Implications

13. The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

14. The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

Recommendation

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

DAVINA FIORE

Director of Governance & Legal Services

13 September 2023