

Date: 17 January 2024

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Dear Chris,

PRAP Scrutiny Committee 10 January 2024: Budget Consultation 2024/25

A sincere thank you for attending Committee on 10 January 2024 to update us on Budget Modelling and Consultation for 2024/25, we welcome such productive engagement with Scrutiny at this stage of the budget process. Please also pass on the committee's appreciation to Chris Lee, Gareth Newell, Dylan Owen and Claire Owens for the clear presentation on the financial position and the live budget consultation. Members are aware that you face difficult choices and have asked me to pass on their comments and observations to enrich the context of your decision-making on savings to frontline services.

We note the better than expected 4.1% provisional settlement for Cardiff, which after modelling presents us with a £30.491m budget gap to close from savings. Members were pleased to hear that £10m of savings have already been found without impacting on frontline services, and that the budget consultation, whilst recognising it relates to just a third of council finances, will assist in determining the remainder. We are reassured that the 4-week live budget consultation, informed by Ask Cardiff headline findings, will be analysed, and the report made available to inform final budget savings proposals, within 2 weeks of the consultation closing.

Provisional Settlement

Members considered that the additional 1% settlement figure compared with the 3% on which the budget was previously modelled should result in some originally proposed savings being protected. We note the lack of detail on how changes to specific grants might affect Cardiff's final settlement, and that you were unaware of the changes to social services and homelessness grants prior to the announcement. Despite some uncertainty in respect of specific grants, we are pleased that you will

now be able to protect some services, such as Youth Services. You kindly offered to confirm the Council's understanding of the grants position prior to the announcement.

Quality of consultation

Presentation - The Committee congratulates you on an excellent and accessible budget consultation document. Members considered the thematic layout, and the genuinely open questions were good. In addition, Members highlighted that Cardiff Civic Society had pointed out a discrepancy between the online and hard copy versions of the consultation in relation to Parks, and you reassured us that the substance of the questions remain the same.

Content – some Members felt the consultation contained controversial proposals that could scare residents. You reassured us that the survey recognises the need to be honest with residents, that *all* possible frontline service changes had been included in the survey, and all savings, if taken, would amount to £4m. We note, however, that the section on Council Tax is relatively small, and there is no option to reduce arena funding.

Reach - Members agreed that over time there has been a successful broadening of the consultation approach. We would also like to promote more ward consultations on matters such as Schools Organisation Planning and Highways investment in active travel, particularly as they are long term capital budget investments. We note your view that such issues sit more comfortably within the Ask Cardiff consultation, and you will consider a review of whether such questions could be included. However, we consider the 4-week timescale for this consultation is tight in which to access all hard-to-reach groups. We note you are targeting a high response rate online and will be reviewing responses weekly; you will use social media to target underrepresented groups and use a bespoke approach in the final week where gaps are identified.

Listening – whilst you make the point that public feedback is valued but the consultation is not a referendum, Members wish to re-iterate their view that public feedback should be listened to by the administration.

City centre cleansing

The Committee sought clarification in respect of reports in the press that savings may include a reduction in the number of city centre litter bins. We note your focus would be on retaining cleanliness in those areas with high footfall, rather than quieter residential areas. We also note that resources to street cleansing have increased over previous years, these are challenging times, however there is a strong drive to increase recycling targets.

Schools' budgets

Members are mindful of the budget challenges currently faced by schools in their communities and were seeking reassurance that the 4.1% settlement will be wholly passported on to schools' budgets. We encourage the Council to be mindful of the implications of short-term revenue savings on long-term capital costs, particularly on building maintenance matters. We note that you consider education a priority and the Council will do all it can to support schools however we are seeking your assurance that schools will not be expected to offer efficiencies within existing budgets.

Lobbying government

Finally, the Committee encourages Cabinet to continue lobbying Governments' where there is the opportunity. We note you are having productive conversations with Welsh Government with the aim of securing an earlier indication of the provisional settlement in future years and urging that more specific grants are increasingly made available through the General fund; and we note that you continue to lobby the UK government on the matter of teachers' pensions. We are assured that there will be ongoing trade union and staff engagement on employment savings matters.

Requests following this scrutiny:

There are three issues we request that your response addresses.

- Confirmation of the Council's understanding of the grants position prior to announcement of the Provisional Settlement.
- Consider reviewing the inclusion of Schools Organisation Planning and Highways investment in active travel within the Ask Cardiff consultation.
- Assurance that schools will not be expected to offer efficiencies within existing budgets.

Once again, on behalf of the Committee, I thank you and the officers for facilitating the internal challenge of important issues such as Budget Consultation that can improve the quality of Council services. I look forward to your response.

Yours sincerely,



**COUNCILLOR JOEL WILLIAMS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Members of the Policy Review & Performance Scrutiny Committee
Leaders of Opposition Parties – John Lancaster, Rodney Berman & Andrea Gibson
Chris Lee, Corporate Director Resources
Gareth Newell, Head of Partnerships and Performance
Dylan Owen, Head of Cabinet Office
Claire Owens, Principal Research & Consultation Officer;
Mr Gavin McArthur, Chair, Governance & Audit Committee
Chris Pyke, OM Governance & Audit;
Tim Gordon, Head of Communications
Jeremy Rhys, Assistant Head of Communications and External Affairs
Gary Jones, Head of Democratic Services
Claire Deguara, Cabinet Business Manager
Alison Taylor, Cabinet Support Officer
Andrea Redmond, Committee Support Officer