

My Ref: Scrutiny/Correspondence/Cllr Jenkins

23rd February 2022

Councillors Chris Weaver, Susan Elsmore & Lynda Thorne
Cabinet Member for Finance, Modernisation and Performance
Cabinet Member for Social Care, Health & Well-being
Cabinet Member for Housing & Communities
Sent via e-mail



Dear Cllr Weaver, Cllr Elsmore and Cllr Thorne.

**COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE – 21 FEBRUARY 2022
DRAFT BUDGET PROPOSALS 2022/23 & CORPORATE PLAN 2022/25**

As Chairman of the Community & Adult Services Scrutiny Committee, I wish to thank you, and officers, for attending Committee and providing Members with an opportunity to consider the draft Budget Proposals 2022/23 and draft Corporate Plan 2022-2025. The comments, observations, and subsequent recommendations from Committee Members in their consideration of this item are set out in this letter.

From the outset, and as we have mentioned in previous years, we do wish to state given the importance of the Council's budget, the substantial figures it entails, and the overall level of information that is provided to Members, within incredibly tight timescales, it does pose considerable difficulties for Committee Members to adequately analyse the papers in advance of the scrutiny meeting.

Corporate Overview Section

- During the meeting, questions were asked about how much of the Council's overall budget is toward debt repayment. We were advised, around £35million of the Council's £740million budget for 2022-23, would be spent repaying debt however this figure is not solely in relation to the repayment of new debt, but includes the repayment of historical debt. Further to this, Members were also informed that borrowing affordability and sustainability is undertaken within the Council's Treasury Management Framework which is continuously monitored through relevant scrutiny committees and the council's Governance & Audit Committee. We wish to reiterate the need to ensure the Council's levels of debt are continuously monitored, to ensure it stays within sustainable figures.

- With regard to the Council's Financial Resilience Mechanism, Members noted that £1.648m has been allocated to the heading 'Community Improvement and Safety'. However, when the allocation of where this spending would go was broken down at the meeting, it appeared that only £25,000 would be going toward 'community safety' and £250,000 toward park lighting. With the other monies within this allocation going towards programmes such as sports development, money advice matters and so on.

Although Members note, and appreciate, community safety will be receiving additional funding through other streams in this year's budget, we strongly urge that in future years, 'Community Improvement' and 'Community Safety' is not adjoined into one heading and is clearly divided within the budget proposals paperwork.

- In terms of the 'Consultation on Cardiff Council's 2022/23 Budget', Members raised their concerns on the number of responses it received (1,547). Particularly when compared to the number of responses the consultation received last year, under the same Covid related restrictions (2,870). Given the importance of the budget setting process, Members wish to stress the need to ensure every effort is made going forward to improve response levels and so, **recommend** that additional avenues for generating public awareness and encouraging engagement with future consultations is sought and, in addition, budget consultations are appealing to members of the public by being quick, readily accessible, and easy to understand. In line with this, Committee Members also questioned if the length of time the consultation is live, is adequate to generate a good response and insight into the public's views. Members note timing of the consultation is subject to when the provisional settlement is received from the Welsh Government and welcome the comments it is hoped receipt of the provisional settlement may return to October, which would provide greater time for the consultation to be live. In addition, we note and welcome the comments made that work is ongoing toward a new Citizen Engagement strategy.

Members were disappointed that community safety and dealing with ASB issues was not provided as an option for respondents to select within this year's consultation. Given that *'Keeping our communities safe and tackling anti-social behaviour'* was one of the top three priorities identified by the public in last years consultation, and, how important community safety issues are for the public, its absence as a priority to be selected was extremely notable and disappointing. Although Members note the comments that other consultations such as ASK Cardiff are considered when setting the budget, given community safety's importance, and that it was identified as the publics top three priority last year, Members **recommend**

tackling ASB and keeping our communities safe is always specified as priority for members of the public to select in all budget consultations going forward.

- In terms of the council tax increase, it is noted that the settlement from Welsh Government is “better than expected” and the settlement from Welsh Government has been referred to as better than expected for the past few years, and we heard at the meeting a range of contextual factors have informed the decision for the council tax increase.
- Members noted their concern on the potential impact following the loss of Welsh Government’s Covid-19 Hardship Fund, and although we note and welcome the comments that Welsh Government will continue to fund PPE costs until March 2023, we do wish to stress and reiterate the need to ensure due-diligence towards this risk is continually applied, and the base requirement determined for this risk, is frequently reviewed and monitored.

Cllr Elsmore’s Section

- Given we, as a Committee, have been informed on the service area’s focus, and upcoming work, in developing technology enable care, we noted our surprise that last year’s budget saving proposal, of £94,000 through increasing the use of technology in care packages, was not achieved. We note from the response that although savings were being achieved, the service area did not have the mechanisms in place to capture the savings, which was in part due to a lack of strategy toward this work. Along with the notable absence of all social workers being trained on the technology available. However, we note this is currently being addressed and worked on as part of the ‘Tech’ strategy being developed. Given the importance of this topic, we **request** sight of the statement of requirement that went to tender for the tech strategy and **request** a briefing on the Tech strategy is provided to the Committee when available.
- We also noted how this year, there are a number of savings proposals which relate to changes in accommodation provision (for both learning disabilities and those who require mental health support). Given that last year’s savings proposals, which related to supported living accommodation provision was not achieved (as of Month 9), this does raise questions on the achievability of this year’s saving proposals which relate to alternative provision. Although, the sensitives around these proposals, which provided reasonings for the delay, is acutely recognised by Members.

- Further to this, we also raised our concerns over the savings proposals relating to mental health provision and the intricate, delicate sensitivities in potentially moving individuals with support needs. In addition, we also sought assurance that these individuals would receive no detrimental impact because of the change, particularly less support. We note and welcome the comments that although individuals will receive more independence within this proposal, they will still receive a full support package and their safety and wellbeing will be paramount.
- In terms of the work detailed in the Corporate Plan, we referenced S2.3 which details the work with the Regional Partnership Board. We sought clarity on the wording which states, '*Identifying easily accessible locations within the community and developing an overall working model for the MDT by March 2023*'. From the response, we note the locations referenced in this narrative refers to locations for staff to access, and not members of the public. As such, we strongly urge the narrative be amended to ensure this is clearly understood by readers. During the discussion we also questioned if the need for these locations would require the council purchasing new assets and we note the majority of these locations will be from re-purposing current council buildings or by developing new space as part of a wider project.
- During the meeting, Members sought assurance on how the £5.6million figure in relation to demographic growth and financial pressures had been determined, and, from the response, we note and welcome the level of modelling undertaken when determining this projection.
- We also sought clarity on the spending surrounding Disabled Facilities Adaptions (DFA) and we were informed there are three amounts of money that goes into DFA spending, around £5m towards this spending comes from the Capital Programme general fund, £3m from the HRA fund and £0.5m from grants (annually) totalling to around £8m cost per annum. However, as this was not clear during the discussion, we do wish to **request** clarity on how much is spent annually on DFA's. Although Members note the resource of the Capital Programme is made up of a range of funding streams such as grants, reserves and borrowing, we sought clarity on how much of the DFA spend is funded solely from borrowing. From the response, it appeared this could not be provided as we were informed borrowing within the Council's budget is not based on specific projects, but rather, determined by overall council need. From the discussion we also note that officers have been informed that additional funding has also been made available for people with care and support needs.

Cllr Thorne's Portfolio

- In terms of the Council House Build Delivery Programme, during the presentation Members were informed of the new target, of 4,000 new homes being provided by 2030, which includes homes for social rent, and homes for sale. During the discussion the intent to also expand the scale and pace of the delivery programme was also raised.
- Given that the original target to deliver 1,000 new council homes by March 2022 was not accomplished, we raised questions on how expanding the scale and pace of the programme could be achieved. We note the assurance provided by officers that the Council has the capacity, with the sites confirmed in the programme, to deliver 3,600 new homes, along with the ongoing commitment to meeting targets. In addition, we also note the confirmation that we are on track to deliver 1,000 new council homes by the end of the year.
- Going forward, we **recommend** if a target set within the Council House Delivery Programme is not achieved, or expected to be achieved, CASSC is proactively informed. To confirm, we do not wish to deter the setting of targets within this field, however given its importance we believe a formal, avenue whereby officers in the development programme proactively inform the Committee when a target is not achieved would be welcomed, and useful communication.
- With regard to homelessness, we questioned why, out of the £1.760m of earmarked reserves, £390,000 of its allocation had been spent on other commitments and if this was planned use. From the response it was unclear what the £390,000 spend related to and if this was planned use and so we wish to **request** this information. We also questioned if the amount left in earmarked reserves for homelessness (£1.370m) was enough to adequately address homelessness. We note from the response, officers are confident this is enough and there is also ongoing funding to assist in this area of work.
- We sought information on the new posts created within community safety and we were informed the 2 'Situational Response to Community Safety Issues' posts will be created to assist in the Community Safety Partnerships problem solving groups, and the 2 Violence Prevention posts will be to ensure safeguarding of adolescents who are at risk of exploitation.
- In terms of the prisoner discharge service, Members sought assurance on if communication and relations with the prison and probation has improved and from the response, it was pleasing to note good progress has been made, and work is ongoing to improve it further.

- We also explored the decarbonisation agenda, and we wish to **request** clarity on if every council house being built at present (and in future years) will not include a gas boiler. Within the topic of decarbonisation, we also highlighted how the Council House Build Programme was the largest outgoing in the Capital Programme expenditure and so, we sought assurance that these figures take into account additional costing of all current and forthcoming schemes to meet new regulations. From the response, we note the figures do account for schemes that are currently being built but does not yet include the additional technology costing as these figures are reviewed on an annual basis and are yet to be built into the programme. Although we note these figures are reviewed annually and is subsidised by significant levels of Welsh Government grants, we were informed at the meeting for each home to have additional decarbonisation kit, it equates to £15,000 per property. Given the number of properties within the scheme, and those forthcoming, this additional costing does equate to substantial figures. We therefore strongly urge all additional costing within this work is included in these figures as soon as possible to ensure estimates and indicative spend is a true reflection.
- During our discussions, reference was also made to the Corporate Plan Key Performance Indicator surrounding the extent citizens agree that local public services are successfully dealing with ASB and crime (K4.14). We questioned why no target for this KPI was set, particularly given the results from the Ask Cardiff Survey which showed that only 21.3% of respondents strongly agreed or agreed that they feel the police and other local public services are successfully dealing with crime and ASB. We note from the response, addressing this issue is not solely down to sufficient money and resource, but is largely dependent on effective partnership working. However, given the importance of this area of work, and due to the Ask Cardiff 2021 results, we **recommend** a target within this KPI is included to ensure crucial insight is received, progress of work is effectively monitored, accountability is ensured and to act as an impetus on if more resource is required

For ease of reference, the recommendations and requests captured in this letter which require a response are as follows:

Recommendations

- Additional avenues for generating public awareness and encouraging engagement with future consultations is sought and, in addition, budget consultations are appealing to members of the public by being quick, readily accessible, and easy to understand

- Tackling ASB and keeping our communities safe is always specified as priority for members of the public to select in all budget consultations going forward.
- If a target set within the council house delivery programme is not achieved, or expected to be achieved, CASSC is proactively informed.
- A target within this KPI is included to ensure crucial insight is received, progress of work is effectively monitored, accountability is ensured and to act as an impetus on if more resource is required

Requests

- Sight of the statement of requirement that went to tender for the tech strategy
- A briefing on the tech strategy is provided to the Committee when available.
- Clarity on how much is spent annually on DFA's.
- Information on what the £390,000 within the homeliness earmarked reserves was spent on and if this was planned use.
- Clarity on if every council house being built at present (and in future years) will not include a gas boiler

I hope that the comments provided will be of assistance to you and the Cabinet in considering the Budget proposals on Thursday 24 February and look forward to your response to the points and recommendations raised in this letter.

Thank you once more to you and officers for attending Committee.

Yours sincerely,



COUNTY COUNCILLOR SHAUN JENKINS

Chairman - Community & Adult Services Scrutiny Committee

Cc: Chris Lee, Corporate Director

Ian Allwood, Head of Finance

Sarah McGill, Corporate Director

Jane Thomas, Director Adults, Housing & Communities

Helen Evans, Assistant Director, Housing & Communities

Dave Jaques, Operational Manager, Development & Regeneration

Councillor David Walker, Chair Policy Review & Performance Scrutiny Committee

Chair of Audit & Governance Committee

Nicola Newton, Principal Scrutiny Officer

Cabinet Support Office

CASSC Committee Members

Cyf/My Ref: CM47233
Eich Cyf/Your Ref: Scrutiny/Correspondence/Cllr Jenkins

Dyddiad/Date: 24 February 2022

Councillor Shaun Jenkins
Chairperson Community & Adult Services Scrutiny Committee
City of Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear Shaun

Community & Adult Services Scrutiny Committee – 21 February 2022 Draft Budget Proposals 2022/23

Thank you for your letter dated 23 February 2022 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 24 February 2022.

Please find contained within this letter our response to your recommendations as set out in the agreed table format. You will note we have accepted two of the three recommendations set out in the table and a full response can be found there. The one recommendation not accepted relates to anti-social behaviour as it is not considered appropriate for the Council to set a target for this indicator without full consultation with South Wales Police and partner agencies through the Community Safety Partnership. However, the Committee should be assured, that performance against the KPI and the “The number of reports of anti-social behaviour (ASB) to the police” KPI will be closely and regularly monitored by the Council and the Community Safety Leadership Board, and that appropriate action will be taken in response if required.

Some specific comments in respect of the points made are included below:

Borrowing and Affordability Indicators

The capital financing budget includes interest repayments on existing borrowing, provision for repayment of capital expenditure incurred in previous years and estimated costs of future borrowing. The capital programme is set in accordance with our Capital Strategy (Annex 3 of the budget report) and any borrowing impact resulting from the strategy is set out as part of our Treasury Management Strategy (Annex 4 of the budget report). Governance and Audit Committee review the Treasury Management Strategy prior to approval and full council also receives an annual outturn report in September / October each year and a mid-year report in November each year updating all Members on our Treasury Management Activities.

The capital financing implications of capital schemes are considered as part of the Medium Term Financial Planning Process. Appendix 12 of the Budget Report highlights the various prudential and treasury management indicators that are included in the budget proposals to help determine the prudence, sustainability, and affordability of the capital programme, in line



with guidance and statutory requirements. This includes the setting of an overall borrowing limit and as shown on Page 20 of the Capital Strategy, ratios highlighting capital financing costs as a percentage of the Council's Net Revenue budget.

The Council's S151 officer also makes a statement within the budget report on the affordability of the capital programme, and the risks inherent in the capital programme and wider elements of the budget are reviewed as part of the budget monitoring process and annually as part of refreshing the annual budget.

I note your comments in respect of the tight timescales within which Scrutiny have to consider budget papers. Whilst we need to acknowledge the delay again in the settlement details being received, I have asked the Corporate Director of Resources to reflect on whether improvements can be made, and this would include the timeliness and format of the information provided.

Community Safety Funding

Your comments regarding the breakdown of community support into additional categories in future, with Community Safety identified as a separate category, are noted. I would like to assure the Committee that the 2022/23 Budget contains a number of areas of support for Community Safety. As well as the one-off support of £275,000 noted in your letter, the following items will also be funded on an ongoing basis:

- **Situational Response to Community Safety Issues (£100,000)**
Supporting the Council's and partners approach to improving community safety and tackling anti-social behaviour and violence prevention initiatives. This will include expanding the multi-agency problem solving approach to tackling anti-social behaviour hot-spots that was successfully piloted in 2021/22.
- **Violence Prevention, with focus on vulnerable young people (£82,000)**
To develop the Council and partner approach to violence prevention, with focus on vulnerable young people. This will include the development and delivery of the new statutory Violence Prevention strategy and initiatives, and delivery of a cross-Council and public service preventative approach to safeguarding young people.
- **Community engagement and safety in parks**
The funding will provide additional capacity to support community engagement and safety in parks, specifically:
 - A Parks Community Liaison Officer to increase the service's interface with South Wales Police, and involvement in respect of safety in parks.
 - Two additional Community Park Ranger Staff
 - A Friends Group Support Officer to support emerging friends' groups, increase volunteer activity, submit grant applications and support the emerging interest in the National Park City, Cardiff Movement.

Personal Protective Equipment

It is currently anticipated that Personal Protective Equipment (PPE) via the Welsh Government / NHS Supply that has been supporting provision to Social Care settings will continue until the end of March 2023, although this is yet to be fully confirmed. In addition to this, the Council has incurred PPE costs in relation to other settings, together with the costs of security, storage, and distribution of PPE items. These areas are not expected to receive further external funding support during 2022/23 and could potentially be a call on the Council's £10 million COVID-19 Hardship budget. As with all other calls on the Hardship budget, this will be closely monitored from the outset of the financial year and modelling of ongoing PPE

requirements will take account of current stock, together with any changes to requirements associated with regulations or risk assessments in place.

Technology Strategy

We would be happy to share with Committee a copy of the specification for the consultants assisting with development of the Tech Strategy, this will be provided to the Scrutiny Officer for circulation shortly. Updates on progress with development of the Strategy will be provided as part of the normal corporate plan monitoring arrangements and officers would of course be happy to brief Committee on the draft strategy when available.

Work with the Regional Partnership Board

Your comments about the clarity of the wording of S2.3 are noted, this will be reviewed.

Disabled Facilities Adaptations

The table below summarises the investment in Disabled Facilities Adaptations across the five-year capital programme.

Description			2022/23 Incl. Slippage	2023/24	2024/25	2025/26	2026/27	Total
			£000	£000	£000	£000	£000	£000
1	Disabled Adaptations Grants (see also Public Housing)	Annual Sum: Adaptations and internal modifications to allow the recipient to live independently within their own home.	5,459	5,000	5,000	5,000	5,000	25,459
61	Enable Grant (WG)	Grant: Support for Independent Living and to be used with the Council's allocation for Disabled Facilities adaptations.	540	540	540	540	540	2,700
99	Disabled Facilities Adaptations	HRA: To provide adaptations and internal modifications to allow the recipient to live independently within the home.	3,000	3,350	3,350	3,350	3,350	16,400

Unless there is a specific grant (e.g., row 61), or revenue funding source, capital expenditure on Disabled Facilities Adaptations is either paid for by borrowing, capital receipts, or unhyponthecated grant (General Capital / Major Repair Allowance)

Housing Programme

I note the comments raised here and welcome the opportunity to put in place a process to keep CASSC informed more regularly about progress against new build targets. An annual update is already provided as part of the HRA Business Plan Cabinet Report, but I can ensure that more regular updates are provided directly to CASSC.

Homelessness Reserve

The planned drawdown from the homelessness reserve reflects estimated requirements for temporary staff costs and other homelessness pressures during 2022/23. Whilst the heading of the column is entitled "other commitments", this is purely to distinguish it from use of reserves for general budget funding. All expenditure planned to be funded from the reserve relates to the support of homelessness services. Modelling is regularly undertaken to review the longevity of the reserve and presents no cause for concern regarding the adequacy of the

reserve over the medium term. One-off grant funding is sometimes received that improves the position and reduces the planned drawdown by the financial year end.

Decarbonisation and Housing

I am happy to confirm that every council property designed from May 2021 onwards is designed without a gas heating system. Instead, a renewable technology such as ground source or air source heat pumps have been designed in. The Bute Street Community Living project is currently being assessed to determine if it can link into the new Heat Network that will run along Bute Street. If this is achievable then the proposed ground source heating system will be omitted. Furthermore, schemes are designed to incorporate integrated solar PV panels and battery storage and electric Vehicle charging points where possible with consideration being made by our design teams to maximise solar gain in the schemes design from the onset.

Where schemes were designed prior to May 2021 and would have included a traditional gas central heating system but were not yet on site, we have worked with the contractors to remove the gas system and replace it with either ground source or air source. This is the case for the projects recently commenced at Wakehurst Place and lowerth Jones and we are working through this change with the contractor appointed to deliver the St. Mellons and Maelfa Community Living projects.

We believe in futureproofing the new build programme and have already committed **now** to achieving the proposed Welsh Government improvements to Building Regulations earmarked to come into force in 2025. These proposed changes to Building Regulations will mean that every building must achieve a minimum SAP rating of A, not be reliant on gas and deliver an enhanced building fabric. Our scheme on site at the former Rumney High school demonstrates how we are delivering high-quality low carbon homes in volume. Every property has a ground source heat pump, solar PV and battery storage and EV charging points. The homes are predicted to achieve a SAP rating of A and will achieve a 90% improvement against the Current Part L of Building Regulations. We see this as being the minimum standard for our new build programme moving forward. Not only will this approach ensure we are minimising our carbon impact, but we are also helping to eliminate fuel poverty for our tenants.

This is the right approach to take and as we discussed in the Scrutiny meeting, we recognise there is an additional cost. However, each project is subject to a viability assessment to ensure the scheme is financially viable within our approved parameters before it proceeds. The assessment will include the cost increases relating to the enhanced standard. The cost of renewable technology continues to fall as this approach becomes more common and Welsh Government have increased the level of funding available to each project meeting these enhanced standards to help meet the increased costs. As we discussed in the meeting, the cost of the build programme is reviewed on an annual basis.

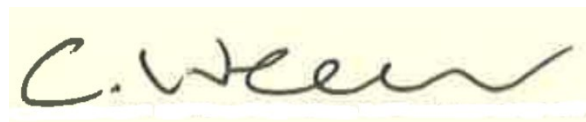
Taking this approach also helps to futureproof the homes we build. As Welsh Government not only review the required quality of new build homes through the DQR standards they also continue to review the standard of the existing social housing stock. As we move towards reducing the carbon impact of our existing housing stock it is likely that future programmes of work will be required to focus on decarbonisation. The standard of the new homes we are building now will mean they will be futureproofed against this.

The Committee sought clarity in relation to Step S2.3 *'Identifying easily accessible locations within the community and developing an overall working model for the MDT by March 2023'*. This Step has been amended within the Corporate Plan to provide the clarity sought and now reads: *'Identifying easily accessible locations within the*

community as touch-down points and collaborative working spaces for MDT staff and developing an overall working model for the MDT by March 2023'.

I hope that this letter captures all the points raised in your letter and thank you again for your support in the budget process.

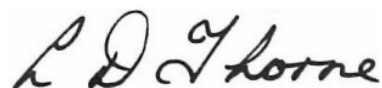
Yours sincerely



Y Cynghorydd/Councillor Christopher Weaver
Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member for Finance, Modernisation & Performance



Councillor / Y Cynghorydd Susan Elsmore
Cabinet Member for Social Care, Health & Well-being
Aelod Cabinet dros Ofal Cymdeithasol, Iechyd a Lles



Councillor / Y Cynghorydd Lynda Thorne
Cabinet Member for Housing & Communities
Aelod Cabinet dros Dai a Chymunedau

cc Chris Lee, Corporate Director
Ian Allwood, Head of Finance
Sarah McGill, Corporate Director
Jane Thomas, Director Adults, Housing & Communities
Helen Evans, Assistant Director, Housing & Communities
Dave Jaques, Operational Manager, Development & Regeneration
Councillor David Walker, Chair Policy Review & Performance Scrutiny Committee
Chair of Audit & Governance Committee
Nicola Newton, Principal Scrutiny Officer
Cabinet Support Office
CASSC Committee Members

Response to CASSC

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Implementation Date
Additional avenues for generating	Accepted	This work will form part of the review of	Gareth Newell	December 2022

public awareness and encouraging engagement with future consultations is sought and, in addition, budget consultations are appealing to members of the public by being quick, readily accessible, and easy to understand.		consultation and engagement practice that will be undertaken as part of the development of a new Citizen Engagement Strategy in 2022.		
Tackling ASB and keeping our communities safe is always specified as priority for members of the public to select in all budget consultations going forward.	Accepted	The Ask Cardiff and Budget consultation will include community safety and tackling ASB in the 'budget priority' shortlist.	Gareth Newell	September 2022
A target within this KPI is included to ensure crucial insight is received, progress of work is effectively monitored, accountability is ensured and to act as an impetus on if more resource is required	Not accepted	Given the focus of the KPI is on satisfaction with 'police and other public services' it is not considered appropriate for the Council to set a target for this indicator without full consultation with South Wales Police and partner agencies through the Community Safety	Sian Sanders	N/A

		<p>Partnership.</p> <p>The Committee should be assured, however, that performance against the KPI and the “The number of reports of anti-social behaviour (ASB) to the police” KPI will be closely and regularly monitored by the Council and the Community Safety Leadership Board, and that appropriate action will be taken in response if required.</p>		
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Ref: Scrutiny/AEJ/LB/CW/220222

23 February 2022

Councillor Chris Weaver,
Cabinet Member for Finance, Modernisation & Performance,
Room 519,
County Hall,
Atlantic Wharf,
Cardiff CF10 4UW.



Dear Councillor Weaver,

Children & Young People Scrutiny Committee – 22 February 2022

On behalf of the Children & Young People Scrutiny Committee I would like to thank you, Councillor Hinchey, Councillor Merry and officers for attending the Committee meeting on Tuesday 22 February 2022 to consider the Draft Budget Proposals 2022/23 and Draft Corporate Plan 2022 - 25.

The meeting initially considered the Corporate Overview and was followed by scrutiny of the draft budget proposals and sections of the draft corporate plan relevant to the terms of reference of the Children & Young People Scrutiny Committee. The comments and observations made by Members following this item are set out in this letter.

❖ **Corporate Overview**

In terms of your Portfolio, Members felt there were a number of issues that would require your input and commitment going forward and would appreciate your views on.

Members noted responses in relation to the ongoing implications of Brexit on the budget; the uplift to delegated schools; the resilience of the Capital Programme; the increases for the Children's Services budget; improving consultation with children and young people; and external spend and savings.

Members welcomed the response regarding school balances from grant funding, given that these were often awarded with a lack of clarity on how and when to spend it.

Members welcomed the additional funds in the base budget and FRM in relation to Youth Services and were reassured that the outcomes of the Youth Service Review and evaluation would inform the spend this area, as well as other initiatives such as the Summer of Smiles.

Members asked a question on the national proposals for free school meals and any potential implications for the Council's budget. Currently, there appears to be a lack of clarity on this and whether the loss of income from families who currently pay for school meals would be met by Welsh Government. Members would welcome an update on this issue when more is known, as well as your views on how the Council is mitigating against this potential loss of income.

Members raised the issue of risk to identified savings in Children's Services in relation to the Reviewing Hub, the lower levels of intervention that the Service is trying to achieve and the shifting balance of care element with efficiency savings here as well. The Committee requests that it has sight of the monitoring and review at regular intervals during 2022/23 and would seek your support in providing this information and an indication of appropriate timescales when we can receive this information (monthly, quarterly etc).

❖ Children's Services

The Committee welcomed the 11.8% uplift to the Children's Services budget for 2022/23 and the development of a 3-year Children's Services Strategy and will look forward to receiving this in due course.

Placements

Members raised a number of issues in relation to placements. They were particularly concerned about unregulated placements in the city and were alarmed by the potential safeguarding problems for these young people being brought into the area, many of which may have complex needs and require care and support. Members would request further information on how this is monitored, and what the Council does or can do to have better information on these placements.

Members asked questions around the reliance of the private sector in relation to placements and whether the £2m for appropriate placement funding was achievable, given the lack of control in the market. Members were concerned that some children and young people were being sent much further out of county but reassured that weekly monitoring of this information was being undertaken and would again call on your support in ensuring that this Committee receives regular updates on this.

Members also asked how many places were available in Cardiff for placements, and any additional placements that would be available in the coming year. Arising from this, Members would request the following information, which we are happy to receive anonymised:

- Number of buildings/ places currently available in Cardiff, in all sectors – broken down by individual providers
- How many of these are currently being used?
- The type of support available at these places
- Number of Children and young people requiring this type of support
- The number of placements in Cardiff being available in the coming year and what type of support these will offer.

Education & Lifelong Learning

Members of the Committee would like to again congratulate Cllr Merry and all Education and schools' staff on their achievements as highlighted in the recent Estyn Report.

Members noted responses in relation to targets regarding ALN places; and the Summer of Smiles evaluation report (which was provided immediately following the meeting).

The Committee asked if there was any update in relation to the replacement to the Pupil Development Grant and were informed that, currently there was no update, but that the Cabinet was working closely with the Welsh Government on this. The Committee would welcome an update in due course, with an indicative time scale on when this could be reported back.

Members again welcomed the review of Youth Services and would welcome further details (including timescales) of this review so that the Committee can receive updates at appropriate times.

In this section, Members also raised the issue of placements and the impact this has on schools. In relation to those placed out of county, Members would wish to be informed of how those moved out of Cardiff's educational improvement and progression is monitored by Education Services.

To recap, the Committee is requesting the following information:

Corporate

1. Free School Meals - an update on this issue when more is known, as well as your views on how the Council is mitigating against this potential loss of income.

Children's Services

2. Your support in providing Members with regular updates on risks to identified savings in relation to the Reviewing Hub, the lower levels of intervention and the shifting balance of care element of the efficiency savings, including an indication of appropriate timescales when we can receive this information (monthly, quarterly etc).

Placements

3. Further information on how private placements are monitored, and what the Council does or can do to have better information on these placements.
4. Your support in ensuring that this Committee receives regular updates on placements.
5. The Committee is provided with a detailed briefing on the following:
 - Number of buildings/ places currently available in Cardiff, in all sectors – broken down by individual providers
 - How many of these are currently being used?
 - The type of support available at these places
 - Number of Children and young people requiring this type of support
 - The number of placements in Cardiff being available in the coming year and what type of support these will offer.

Education & Lifelong Learning

6. An update on the replacement to the Pupil Development Grant, with an indicative timescale on when this could be reported back.
7. Further details (including timescales) of the Youth Services review so that the Committee can receive updates at appropriate times

8. Information on how the LEA monitors the educational improvement and progression of those children and young people who are placed out of county.

There are no formal recommendations arising from this letter.

I would be grateful if you would consider the above comments and work with the relevant Cabinet portfolio holders to provide a response to the content of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. BRIDGEMAN', with a long horizontal stroke extending to the right.

COUNCILLOR LEE BRIDGEMAN

Chairperson – Children and Young People Scrutiny Committee

Cc: Councillor Graham Hinchey, Cabinet Member for Children & Families
Councillor Sarah Merry, Cabinet Member for Education, Employment & Skills
Chris Lee, Corporate Director Resources
Ian Allwood, Head of Finance
Melanie Godfrey, Director of Education & Lifelong Learning
Neil Hardee, Head of Services to Schools
Mike Tate, Assistant Director, Education & Lifelong Learning
Sarah McGill, Corporate Director People & Communities
Deborah Driffield, Director of Children's Services
Gary Jones, Head of Democratic Services
Dylan Owen, Head of Cabinet Office
Members of Children & Young People Scrutiny Committee
Cabinet Support Office
Tim Gordon & Jeremy Rhys, Media and Comms
Cllr Adrian Robson – Group Leader
Cllr Rhys Taylor – Group Leader
Cllr Keith Parry – Group Leader
David Hugh Thomas – Chair Governance & Audit Committee

Cyf/My Ref:: CM47234
Eich Cyf/Your Ref:: Scrutiny/AEJ/LB/CW/220222

Dyddiad/Date: 23 February 2022

Councillor Lee Bridgeman
Chairperson Children & Young People Scrutiny Committee
City of Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear Lee

Children & Young People Scrutiny Committee – 23 February 2022 Draft Budget Proposals 2022/23

Thank you for your letter dated 23 February 2022 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 24 February 2022.

The following paragraphs address each of the Committee's further information requests:

I have asked that officers provide quarterly reports to the Scrutiny Committee on the performance of the savings proposal (including commentary on risks) relating to the Reviewing Hub and the Rebalancing of Care. This will link in with the regular financial monitoring reports issued to Cabinet.

With respect to placements, I have asked that officers ensure that placement data is included in the Children's Services quarterly report provided to this Committee. In addition, a briefing paper on private placements and how they are monitored (including the answers to the questions in your letter) will be provided to the Scrutiny Committee in June 2022.

In relation to Universal Free School Meals, the Council is working closely with Welsh Government as they develop their policy in this area and will report back to the Committee when an update is available which will also include an update on any implications on the Pupil Development Grant.

The details of the review of Youth Services with a timetable will be supplied to the Committee in the next few weeks.

In respect to the monitoring of the educational improvement and progression of children and young people placed out of county, it should be noted that the recent Estyn Inspection made the following commentary in respect of this area of work;

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Gyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



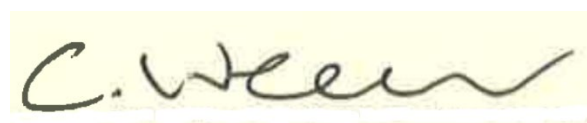
'Over time the local authority has developed strong and valued relationships with establishments it commissions to provide education for children who are looked after. The local authority issues providers with a quality assurance framework and has discussions with providers on curriculum provision, planning for pupil progression and self-evaluation. The local authority sets out clearly the range of information it expects providers to report on in relation to education provision and pupil progress. Communication between officers and providers is regular and effective. Generally, officers provide appropriate challenge to changes in provision and in discussing outcomes of Estyn visits with providers. In addition to the quality assurance framework, providers benefit from the safeguarding self-evaluation toolkit provided by the local authority. In a very few cases, support from the local authority for children who are looked after and have additional learning needs is not always timely enough. Whilst the local authority works closely with education other than at school providers the recording of systematic monitoring of individual providers is inconsistent.'

The budget currently includes a sum of money to appoint a 'Virtual Head Teacher' who will bring together and be responsible for the Educational improvement and progression of all children and young people not in a Cardiff maintained school. This complements the existing provision of mentors for young people through both the Youth Service and Children who Looked After team. Also, please find an attached document (Appendix A) which is being used for EOTAs providers but will be developed to be used for all out of county educational placements.

Moving forward the Directorate intends to continue to improve these arrangements by ensuring all commissioned providers agree through a Service Level Agreement (see Appendix B) to provide a minimum amount of regular performance and progression information for each young person placed out of county.

I hope that this letter captures the key points raised in your letter and thank you again for your support in the budget process this year.

Yours sincerely,

A handwritten signature in black ink on a yellow rectangular background. The signature appears to be 'C. Weaver' written in a cursive, flowing style.

Y Cyngorydd/Councillor Christopher Weaver

Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member for Finance, Modernisation & Performance

cc Councillor Graham Hinchey, Cabinet Member for Children & Families
Councillor Sarah Merry, Cabinet Member for Education, Employment & Skills;
Chris Lee, Corporate Director Resources;
Ian Allwood, Head of Finance;
Melanie Godfrey, Director of Education & Lifelong Learning
Neil Hardee, Head of Services to Schools
Mike Tate, Assistant Director, Education & Lifelong Learning;
Sarah McGill, Corporate Director People & Communities;
Deborah Driffield, Director, Children's Services;

Gary Jones, Head of Democratic Services;
Dylan Owen, Head of Cabinet Office
Members of Children & Young People Scrutiny Committee
Cabinet Support Office
Tim Gordon & Jeremy Rhys, Media, and Comms
Cllr Adrian Robson – Group Leader
Cllr Rhys Taylor – Group Leader
Cllr Keith Parry – Group Leader
David Hugh Thomas – Chair Governance & Audit Committee

Appendix A

Commissioned Alternative Provision Quality Assurance Framework Provider Self-Assessment Form

Name of Provider

Address

Telephone Number

Email address

Monitoring the quality of commissioned Alternative Provision

Purpose

This framework is intended as a tool for monitoring consistency and quality in the leadership, management and delivery of Alternative Provision commissioned by the Cardiff Council and delivered by external providers.

The aim of this monitoring framework is to ensure that effective and best practice is shared and to improve overall provision and outcomes for students.

This framework sets the criteria against which all commissioned providers will be assessed. The monitoring framework takes into account all aspects of practice and applies to both Cardiff Council and the external provider, thus ensuring accountability from all.

Assessment and Monitoring Framework

The framework takes into account the following areas of monitoring and evaluation in line the Estyn's Common Inspection Framework (2017) & Education other than at school report (2016). It comprehensively covers all areas of school self- evaluation. Cardiff Council believes the criteria provides the best key indicators to identify the quality of Alternative Provision provided.

1. Standards
2. Wellbeing and Attitudes to Learning
3. Teaching and Learning Experiences
4. Care, Support & Guidance
5. Leadership and Management

Review Cycle

Visits to commissioned Alternative Provision providers will take place on a termly basis.

Evidence

Commissioned providers must complete the documentation and provide supporting evidence where appropriate. The monitoring and evaluation team will meet with Students, Parents and Carers ensuring stakeholder voice is taken into account in the evaluation process.

Brief description of education programme offered

Courses/Subjects	Accreditation and expected outcomes All qualifications must be approved by Qualifications in Wales (QIW)	Number of students	Available through the medium of Welsh

1. Standards

	Requirement	Evidence	Requirements met (circle)
1.	Regular, thorough assessment and review of progress takes place. Students are aware through feedback and assessment of how well they are progressing and are aware of what they need to do to meet their individual targets.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
2.	Learners meet the targets set in relation to their starting point and make at least satisfactory progress in		Fully Partially

	developing knowledge, skills & understanding. Schools receive data on a termly basis for each individual student.		Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
3.	Assessment data analysis clearly indicates how well the provision is doing in relation to individual student targets, progress of specific groups & how effective it is at identifying under achievement.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
4.	Clear action planning to meet the needs and narrow the attainment gap for individual learners.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
5.	Regular meetings take place to plan and develop the provision.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
6.	Effective self-evaluation procedures are in place.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
7.	There is evidence that good practice is identified and disseminated across the provision.		Fully Partially Not at all/limited evidence
Comments			

2. Wellbeing and Attitudes to Learning

	Requirement	Evidence	Requirements met (circle)
1.	Learners have a forum to express opinions and raise issues.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
2.	There are productive working relationships between staff and learners leading to effective feedback and positive learning outcomes.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
3.	School and providers work in partnership with individual learners and parents/carers to monitor and review individual needs, abilities, and aspirations.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
4.	Effective lines of communication are in place between the schools and the provider.		Fully Partially

			Not at all/limited evidence
Comments			

3. Teaching and Learning Experiences

	Requirement	Evidence	Requirements met (circle)
1.	Timetabling arrangements allow individuals access to the widest possible range of programmes.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
2.	A programme of monitoring and evaluation of teaching and learning including lesson observations is in place. Lessons have clear and appropriate learning outcomes.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
3.	Clear differentiation in lesson planning allows for the prior learning, knowledge, skills and understanding of each student.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
4	Resources are used effectively to support a variety of teaching and learning styles.		Fully Partially Not at all/limited evidence
Comments			

4. Care, Support & Guidance

Safeguarding lead member of staff name and contact details:

	Measures required	Evidence	Requirements met (circle)
1.	<p>Access to the site is restricted to registered students and the organisation's own staff.</p> <p>All staff have current DBS and these are recorded centrally.</p> <p>The Providers central record includes details of employee's right to work in the UK.</p>		<p>Fully</p> <p>Partially</p> <p>Not at all/limited evidence</p>
Comments			

	Requirement	Evidence	Requirements met (circle)
2.	Safeguarding/Child Protection policy in place, reviewed and up to date with current legislation.		<p>Fully</p> <p>Partially</p> <p>Not at all/limited evidence</p>
Comments			

	Requirement	Evidence	Requirements met (circle)
3.	<p>Safeguarding lead has current training up to at least level 2.</p> <p>All staff working with students have up to date basic safeguarding awareness</p>		<p>Fully</p> <p>Partially</p> <p>Not at all/limited evidence</p>
Comments			

	Requirement	Evidence	Requirements met (circle)
4.	<p>The provider has an e-safety/acceptable use policy and anti-bullying policy signed by students and staff</p> <p>All relevant provider policies are in place</p>		<p>Fully</p> <p>Partially</p> <p>Not at all/limited evidence</p>
Comments			

	Requirement	Evidence	Requirements met (circle)
5.	All members of staff know the process if a disclosure is made or there is a safeguarding concern		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
6.	All staff aware of the lone working advice given by provider.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
7.	All learners participate in an induction programme which will help them understand options, health and safety procedures and their rights and responsibilities.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
8.	Learning and pastoral support is available to all learners.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
9.	Learners understand the importance of attendance and classroom behaviour and comply appropriately.		Fully Partially

			Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
10.	The provider has developed in line with Cardiff Council policy procedures for managing attendance, punctuality, behaviour, and rewards.		Fully Partially Not at all/limited evidence
Comments			

Appendix B.

Service level agreement between (INSERT NAME OF SCHOOL) and Cardiff City Council Education Service.

As the commissioning local authority we are responsible for tracking and monitoring provision for all our pupils.

We therefore require you to provide the following information at the specified timings. By signing you agree to provide this information.

Information required	When	Frequency	How
Pupil attendance	Every Monday	Weekly	Secure email to EOTAS@cardiff.gov.uk
Pupil progress report	First week of term	Termly	Secure email to EOTAS@cardiff.gov.uk
Annual review dates	By September 20th	Annually	Secure email to ALNAnnualReviews@cardiff.gov.uk
Annual review paperwork	Within 10 working days following the review	Annually	Secure email to ALNAnnualReviews@cardiff.gov.uk
Personal Education Plan (for Children Looked After)	When: Within 20 days of starting.	Annually	Secure email to LACETeam@cardiff.gov.uk
Safeguarding concerns	When/if they happen	When/if they happen	Phone initially to 02922 330878

Head Teacher name	
Signature	

Date	
School	
Number of Cardiff pupils on roll	

5. Leadership and Management

	Requirement	Evidence	Requirements met (circle)
1.	An up to date Health & Safety policy is in place and accessible to all staff, young people, parents/carers, and visitors. There is a designated person trained to IOSH standard.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
2.	Detailed risk assessments are in place and reviewed annually or as required for all spaces in the building, activities, and where appropriate individual students.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
3.	Fire drill are held regularly at least bi termly.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
4.	Public liability insurance is current and the insurance certificate is displayed.		Fully Partially

			Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
5.	First aid equipment and or facilities are fully available. Is the provision familiar with Riddor procedures?		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
7.	Arrangements are in place for supervision of young people.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
8.	A detailed provision self improvement plan is in place, which identifies clear areas for development, timescales, success criteria and staff involved.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
9.	There is a secure agreement setting out the responsibility of the provider and Cardiff Council.		Fully Partially Not at all/limited evidence
Comments			

	Requirement	Evidence	Requirements met (circle)
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10.	Arrangements are in place for supervision, teacher appraisal and staff performance management to ensure the professional development needs of the staff and provision are met.		Fully Partially Not at all/limited evidence
Comm ents			

	Requirement	Evidence	Requirements met (circle)
11.	A process is in place for the regular identification of specific needs of staff.		Fully Partially Not at all/limited evidence
Comm ents			

Ref: RK/RP/CW/CW/MM/22.02.22



23rd February 2022

Councillor Chris Weaver, Caro Wild & Michael Michael
County Hall,
Atlantic Wharf,
Cardiff CF10 4UW.

Dear Cllrs Weaver, Wild and Michael,

Environmental Scrutiny Committee – 22 February 2022 – Draft Corporate Plan 2022–2025 and 2022-23 Draft Budget Proposals

On behalf of the Environmental Scrutiny Committee, I would like to thank you as well as Officers from the Economic Development Directorate and the Planning, Transport and Environment Directorate for attending Committee on Tuesday 22nd February and facilitating the Committee's consideration of the Draft Corporate Plan 2022–2025 and 2022-23 Draft Budget Proposals.

The meeting initially considered the Corporate Overview and was followed by scrutiny of the draft budget proposals and sections of the draft Corporate Plan relevant to the terms of reference of the Environmental Scrutiny Committee. At the meeting Members had the opportunity to question the relevant Cabinet portfolio holders and supporting officers on their draft budget and Corporate Plan proposals for the coming year. The comments and observations made by Members following this item are set out in this letter.

Corporate Overview

Consultation

Whilst appreciating that face-to-face meetings were restricted during the budget consultation process due to the Covid Pandemic, the Committee highlighted that there were other methods that could have been used to engage people, particularly those that are deemed hard to reach such as older people, people with disabilities,

people from BAME backgrounds and people less able to access online means. I reiterated comments that Scrutiny have made previously on numerous occasions that consultation needs to engage elected Members who have links to various groups and communities and can assist with getting them involved in the Council's consultation and even with facilitating access to online meetings. Cllr Weaver agreed that these were good points to take forward for the Citizen Engagement Strategy.

In relation to the response to the budget consultation, the Committee commented that given the total population of Cardiff, a response of 1,547 was quite low and needed to be improved for the future. Cllr Weaver disagreed with this view and stated that for a three-week consultation, under strict restrictions due to the pandemic, this figure was fairly good. He explained that there were also further consultations that were taken into account, that had been undertaken throughout the year and were all used to inform the Cabinet's decision-making process. The Committee **requested** clarification on how many of the Citizen Panel had responded to the budget consultation as this was an audience of 5,500.

Contingency Fund

Members questioned the proposed reduction of the General Contingency Fund from £3m to £2m, given the likely financial pressures arising out of the ongoing Covid Pandemic and the removal of Welsh Government funding for this, as well as pressures from increasing energy costs for the Council. The Committee asked for reassurance that the Council would be able to cope with these budget pressures. Cllr Weaver responded stating that the likely increase in energy costs had been taken into account in the overall budget for 2022/23, calculating both the known and expected increases in costs. He confirmed that part of this consideration looks at whether financial pressures will be long term and require a significant budget settlement on a permanent basis, or just temporary that will require funding in the short term and will then fall back down to normal levels. There is still a £2m contingency there available as well as the Financial Resilience Mechanism which could be used in future years should areas need to be funded, It is about understanding the risks and accounting for them which he stated he was confident

this budget does. Officers also commented that in relation to energy costs, they were using modelling and external advice to build these aspects into the budget and all indications were that this was an appropriate budget.

Wages and Recruitment

The Committee raised the subject of wages and recruitment highlighting that there was currently a lot of movement across the job sector. Members questioned how this was being considered and measured to identify any potential need for increased wages and also queried whether the Council had a suitable recruitment strategy in place to maintain the workforce long term. Cllr Weaver confirmed that there was a Workforce Strategy in place and there is planning that each Directorate undertakes which is considered Corporately. He stated that different work sectors were currently being affected in different ways and there were some areas of the Council where there have been challenges recruiting which is then subsequently prioritised for workforce planning. He further highlighted that with Brexit, Covid and the associated changes that were happening over the last 2 years, things were still shifting quite quickly, and the Council needed to be on top of this over the next year or two to see where the post pandemic labour market goes. In terms of budgeting, Members were advised that consideration is given to what the likely pay award will be in the public sector. Cllr Weaver also pointed out that the Welsh Government funding to pay the Real Living Wage as a minimum in the Care Sector will likely have an increasing impact in terms of making that sector more attractive to people.

Officers also commented that over the period of the Medium-Term Financial Plan, the next 5 years, there will be £131m of cost pressures, with £57m of these being employee pressures. Some of these include the Real Living Wage, the Social Care Levy, changes in Teachers pensions and pay awards. It is a key financial implication but more so a key workforce issue and is about having the right people in the right posts with the right skills delivering the services.

Financial Resilience Mechanism

Following a question around the market volatility in respect of recycling materials and why this was, Cllr Weaver and Officers explained that this referred to the variation in the market price for recycled material and key to this was its cleanliness. If it was co-

mingled, it would likely get a lower price whereas if it was segregated, the price would be higher as there would be lesser contamination. There are also a lot of forces that dictate the price and generally this was governed by the Chinese market as they are a heavy consumer of recycled cardboard and plastics. With the current situation in Ukraine for example, this will likely have a negative effect on the price.

Council Tax Increase

Following a question from myself regarding Council Tax increase and how Cardiff compared to other Local Authorities in Wales, Cllr Weaver explained that it was unsure at this time as they hadn't all been decided or published, however there was a good indication that Cardiff was towards the lower end in comparison. The Committee **requested** that they receive detail of how Cardiff compares to other Local Authorities for its Council Tax increase once the relevant information is available.

Strategic Planning and Environment Portfolio

City Recovery and Infrastructure

In terms of regeneration investment in District Centres, Members questioned what this looked like from a Highways perspective in an area such as City Road. Officers responded stating that in terms of local centre regeneration, the core of this work sits with another Cabinet portfolio, however there is collaborative working on this that crosses into the Strategic Planning and Transport portfolio. This work includes identifying locations and making sure that the work that takes place in relation to businesses, buildings, shop fronts and communities also aligns with the funding opportunities in delivering the Public Realm, the highways, footways, cycleways, and the environment. It also aligns with the wider recovery plan in terms of the 15-minute City agenda and work that is taking place to join up the activities around centres. In terms of City Road, Members were advised that there was a pre-covid scheme that was being funded through Section 106, from development that had taken place in the area. Unfortunately, Officers reported that some of the development proposals for City Road hadn't come to fruition, but there had been progress with some measures such as a range of new crossings which will improve pedestrian access, greening of the road and traffic calming measures.

City Road and Parking

The Committee questioned whether, with the growth investment in sustainable transport and the Active Travel Fund, there would be an expectation of a long-term reduction in traffic enforcement and parking revenue and whether this would have been taken into account. Members were advised that in relation to City Road and parking, Officers were mindful of the fact that there had been significant infringements of the parking arrangements, and this was being dealt with through additional enforcement measures to make sure there is compliance. Officers commented that as it is such a busy area there is an issue of making sure there are controls in place.

Regarding income and parking Officers commented that there were changes that took place during the Covid period in terms of shifting in the road network which impacted on moving traffic offences and parking measures. There was subsequently a significant drop-off in terms of parking income from around areas such as Cathays Gardens. According to Officers, however, the service area was trying to bring in the environmental public realm pedestrian active travel benefits while at the same time supporting the demand management measures. Officers reported that they still view parking as playing a key role in terms of managing traffic movements and demand across the network, and were trying to see them working in parallel rather than in opposition.

Churchill Way Canal

During the Committee's discussions, Members asked for clarification on the work that was being undertaken on Churchill Way Canal, when this would be completed and whether local residents and businesses were aware of the work. Officers stated that they believed that Phase One would be completed within 12 months but **agreed to confirm** the timeline. Officers also confirmed that the service area were also commissioning Phase Two work of this and residents on Churchill Way and businesses had been made aware.

Parking Enforcement

On the subject of parking enforcement Members queried whether this income was being reinvested in traffic related schemes. The Committee were advised that

historically there were some elements of the parking reserve that were used to fund some revenue elements around staffing for transport. However broadly there was a commitment that additional income as a result of moving traffic offences and parking chargers is ringfenced to the development and delivery of transport projects and also supporting additional staff where they are implementing and delivering projects. Members appreciate the response from Officers that in terms of delivering some of the transport environmental projects across the city, the issue is sometime not the funding for the project, but rather having the staff to deliver it, so sometimes supporting staff to deliver projects is a very valid reason to seek funding. However, I highlighted that whilst one-off funding for temporary members of staff to achieve a project seems reasonable, supporting long term ongoing salaries through this funding essentially takes away from further traffic related projects.

Public Transport

Members highlighted the modal split target of 57% contained within the Corporate Plan with 22% targeted for public transport and queried whether there was any indication of continued lower usage patterns as a result of the pandemic and people working from home and whether this was anticipated to continue and if so would there be any further financial pressures on service providers like Cardiff Bus. Officers reported that it was a very dynamic situation with movement now towards a new normal, however it is unknown what this is as yet as no one knows the percentages for those will return to work and the impact of hybrid working etc. This, the Committee were informed hadn't settled down as yet and thus it also hadn't settled in relation to its impact on public transport. Officers advised that some periods for bus companies are back up to 100% for weekends for example, whereas during the week and other off-peak times, figures are still significantly below the pre-pandemic period.

Before Christmas, Officers explained, there was the incentive created for people to use buses with reduced fares of £1 and there is consideration as to whether to bring this back in for bus and rail. Realistically it is unknown when it is going to settle down and it will result in potentially significant issues for bus companies including Cardiff Bus. Members were advised that the Council was trying to do as much as they could to facilitate bus movement and support public transport access to the City centre and

making the network work for car drivers who may still be suspicious about getting back on public transport. Officers advised that it was about trying to build people's confidence and helping people make the choice to get back onto public transport and also utilise the new active travel cycle routes that have been implemented. It was reported that there will inevitably be financial implications and the Council was looking to support and subsidise where it can in terms of public transport.

Following further queries over the urgency of work to be done due to the potential long-term implications and what this would mean for several of the Council's schemes such as the Metro and Crossrail, Officers expressed the view that they did not believe fundamentally that there would be a long-term impact on public transport or the transport networks. The Committee were advised that whilst working methods were changing and there may be less travel for work, people still needed to travel, possibly replacing work travel with more socially related travel, and investments in new modes was therefore critical. Despite reassurances that this conclusion was based on discussions with businesses, retail and cultural institutions which indicated that there was no sense that the City centre was less busy, the Committee still expressed some concern. Given the fact that Welsh Government was encouraging working from home, and the number of businesses that have been lost during the Covid pandemic, Members **requested** to see the evidence on the potential long-term impact on transport that the Officer's assumptions were based on.

Cycleways

The Committee questioned the confidence of Officers in both Network Rail achieving their targets for creating the numerous new train stations listed by 2026 and likewise the Council achieving the Newport to Cardiff cycleway by 2025. Officers reported that although these targets were ambitious, they were deemed realistic. It was recognised that some were linked with funding and therefore there was an associated risk with this, but reassurance was provided that these timelines were achievable. The Committee were also advised that the Newport to Cardiff cycleway was supported, funding wise, by the Welsh Government Transport Commission and as one of their key priorities to get the link between Cardiff and Newport both in terms of cycling and in relation to public transport, it has got some big organisational support behind delivering it.

Taxi Grants

On the subject of the one-off funding for Taxi grants highlighted in the Financial Resilience Mechanism, the Committee were advised that the detail for how this was going to be provided to assist taxi drivers towards the cost of transitioning to 'cleaner' diesel vehicles had yet to be determined. The Committee were unsure whether this pilot was being provided via Welsh Government funding or whether it was funded by the Council. Members also expressed concern over the fact that this had not been planned out prior to funding being allocated. Member therefore **requested** that clarification be sought as to the source of funding for this scheme and furthermore that the Committee receive further information on how the pilot is to work and funding allocated as soon as possible. It was also agreed that this item be put forward for the future Scrutiny Work Programme.

Clean Streets, Recycling and Environment

Recycling Targets and Rates

The Committee highlighted that the Council was still to achieve the Welsh Government recycling target of 64% and therefore questioned why the budget proposals didn't appear to incorporate any additional funding or growth to achieve this as well as the further target of 70%. Cllr Weaver agreed that this budget didn't include anything significant towards this, apart from the one-off funding for the segregated Waste pilot. This was due to the Recycling Strategy still being out for consultation to seek public views which will subsequently set the direction for decisions that will then inform where the budget goes. Policy first with the budget to support the policy. He reassured the Committee that this was a priority for the Council in the short term with a Strategy being in place within the year. Cllr Michael also advised the Committee that the changes that have been made over the past 12 months in relation to the workforce, the vehicles and new digital systems that have been introduced, have been working well. He also stated that the contamination rate as part of the trial that is being undertaken is down to 3% and this he believed, once rolled out across the City, would lead to achieving the 70% target over the next 2 to 3 years.

Cardiff Dogs Home

Members questioned whether budget provision had been made for the establishment of a new dog's home as this had been highlighted as a need for some time. Cllr Weaver and Officers confirmed that there was funding that had been raised within the service area towards the potential for a new dog's home and that there is some work being undertaken on the business case for this to determine future requirements.

Cllr Michael also reported that currently there were discussions being undertaken with the Architect over the identified site and any potential planning constraints were being considered before the next steps are taken. He confirmed that a paper would soon be presented to Cabinet on the item and whilst it is best to look at all the detail before making it public, it was his ambition that a brand new dogs home be created for Cardiff with more improved services as whilst there was currently a fantastic service being provided with excellent staff, the existing facility was not fit for purpose. Officers added that this was a priority project which was being looked at very proactively as new opportunity for a new location. The proposal for this coming year was to put forward proposals and announcements but the focus would be on the assessments that needed to be undertaken first. The next financial year would then consider all the due diligence and planning scenario in terms of submissions and fundamentally the capital programme will hopefully recognise the opportunity of a dog's home in the following year.

Shared Regulatory Services

Members queried the £86,000 saving proposal for Shared Regulatory Services and asked for more detail in relation to the implication of this on the service. Officers advised the Committee that the service were operating under some difficult circumstances at the moment both in terms of budgetary pressures and also in the aftermath of the response to Covid. The service still had a number of staff seconded into roles. Unfortunately, this had come at a cost to the business-as-usual work which will take time to straighten out. The Committee were informed that there were a number of key agendas where the service was behind, and they had significant backlogs in relation to Food Standards and the Food Safety Hygiene programme. The service was working closely with the FSA to make up lost ground but again, this would take some time to rectify.

It was also reported that there was difficulty in recruiting suitably qualified staff, as for an Environmental Health Officer or Trading Standards Officer they had to be trained over a number of years and have years of competence and experience. The workforce was also an aging one. This has led the service to consider a number of initiatives to build resilience into public protection services across Wales such as an apprenticeship scheme, but this obviously required a budgetary position to support it. Whilst Cllr Weaver reassured the Committee the savings related to business administration and not frontline Officers, the Committee expressed concern and felt uneasy about the year-on-year savings being made to this important service area whilst still expecting it to perform at a high standard. The Committee challenged the point that this saving would have no impact on frontline staff as any cut to the service could potentially indirectly affect them and their work. The Committee therefore **requested** that they receive evidence of how the savings will not affect frontline services.

Other Members also challenged the view that the service could not recruit to particular posts and **requested** that they also receive evidence of the recruitment process including detail of where the jobs are being advertised, how long for and how often.

Large Scale Energy Projects

Following a question from the Committee on the potential options that were being considered for new large-scale renewable energy projects, as identified in the Corporate Plan, Cllr Michael explained that these included further Solar Farms based on the success from the one already created, plus some possible wind energy opportunities have been identified. Further to this Cllr Michael advised that there were also always other opportunities that were arising whether these be in recycling or energy and the Council needed to be a position to take advantage of these opportunities as they present themselves.

North Cardiff Household Waste Recycling Centre

In relation to the Household Waste Recycling Centre proposed in the Capital Programme for the North of the City, Cllr Michael advised Members that the position regarding this hadn't changed. This would continue to be considered and if and when the business case deemed it was needed, it would be progressed with the

funding that has been budgeted for it. He highlighted that in the meantime there was still capacity in the other two facilities in Cardiff.

Street Cleaning

The Committee welcomed the 7 extra posts for Street Scene Local Action Team (formerly known as Blitz Teams) and 8 additional posts for Extra Street Cleaners and queried whether these were targeted to specific areas or generally across Cardiff. Officers confirmed that this would create an additional (third) Blitz team to enhance this service as well as the creation of a 'Lanes' team to particularly concentrate on the gated lanes where the Council have had high incidents of fly-tipping. Members were further advised that the service would also be putting in an additional 4 mechanical cleaners out to enhance street cleansing. Overall, there would be an enhanced cleansing regime and enforcement in line with additional funding as well as a restructure that will support this. Officers also clarified that both manual and electrical street cleaners would be operational, and the service area was considering locations where they could charge the electrical ones.

One Planet Cardiff

Members were pleased to see investment for 4 additional posts for the One Planet Cardiff Delivery and questioned whether these would be in a specific Directorate or roles that had an oversight across Directorates. Cllr Michael explained that the One Planet Cardiff Agenda was made up of officers from across the Council such as from Education and Planning and these new posts would enhance what was already there. Officers clarified that one of the posts was replacing an OM2 post that would be leading on the delivery of the One Planet Cardiff programmes such as the Electric Vehicle scheme, the work around clean air and working across the programme in general. There would be project management posts then that sit under this to support the work that was taking place in terms of retrofitting and schools programmes etc. He confirmed that a lot of this work was Corporate and only some of the themes sat within the Planning Transport and Environment Directorate. What was needed was a lead to coordinate and align the work taking place with the One Planet targets and the overall programme.

Bessemer Commercial Site

During the meeting I queried what evidence there was to support the income expected to be achieved for 2022/23 associated with the Bessemer Commercial Site of £172,000 (RNI1). The Cabinet Member and Officers reported that this was based on improvement and increased activity that had been seen this year as well as readjusted fees and charges to make them more realistic so that the Council is not subsidising any ongoing disposal.

Landfill Gas

I also questioned why the income of £235,000 associated with Landfill Gas was being realigned as was deemed unachievable. Officers advised the Committee that this target was put in place 4 years ago and since then the level of gas that the landfill has produced has reduced, however the target hadn't previously been adjusted. This has now been brought into line. It was also advised that this income was a planned benefit put in for 2021/22 with the intention that it would be built back in for 2022/23.

Requests following this scrutiny

For ease of reference the requests contained in the letter are as follows:

- Clarification on how many of the Citizen Panel had responded to the budget consultation as this was an audience of 5,500.
- To receive detail of how Cardiff compares to other Local Authorities for its Council Tax increase once the relevant information is available.
- To receive confirmation as to the timeline surrounding Phase One of the work on Churchill Way Canal.
- To see the evidence on the potential long-term impact on transport that the Officer's assumptions were based on in that there would be no long-term affect.
- Clarification be sought as to the source of funding for this Taxi Grant scheme and furthermore that the Committee receive further information on how the pilot is to work and funding allocated, as soon as possible.
- To receive evidence of how the savings associated with Shared Regulatory Services will not affect frontline services.

- To receive evidence of the recruitment process for staff within SRS that is posing a difficulty, including detail of where the jobs are being advertised, how long for and how often.

Thank you once again for attendance and contribution.

Regards,



Councillor Ramesh Patel

Chairperson Environmental Scrutiny Committee

Cc:

- Chris Lee – Corporate Director Resources;
- Ian Allwood – Head of Finance
- Andrew Gregory, Director of Planning, Transport and Environment
- Neil Hanratty – Director for Economic Development
- Graham Harris - Operational Manager, Recycling Services
- Helen Picton, Operational Manager – Consumer Protection, Shared Regulatory Services
- Heather Warren, Cabinet Support Office
- Cabinet Support Office
- Joanne Watkins, Cabinet Business Manager
- Rita Rohman and Christine Brain, Director of Resources' Office
- Imelda Seymour and Jonathan Childs, Director of Planning, Transport & Environment's Office
- Clair James, Director of Economic Development's Office
- Leaders of the Opposition
- Chris Pyke, Audit Manager, Operational Manager
- Internal Audit
- Tim Gordon - Head of Communications & External Relations
- Members of Cardiff's Environmental Scrutiny Committee

Cyf/My Ref:: CM47235
Eich Cyf/Your Ref:: RK/RP/CW/CW/MM/22.02.22

Dyddiad/Date: 24 February 2022

Councillor Ramesh Patel
Chairperson Environmental Scrutiny Committee
City of Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear Ramesh

Environmental Scrutiny Committee – 22 February 2022 Draft Budget Proposals 2022/23

Thank you for your letter dated 23 February 2022 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 22 February 2022.

Some specific comments in respect of the points made in your letter are included below:

With respect to citizen engagement, the online nature of the consultation made it difficult to substantiate the numbers of the Citizens Panel who engaged with the consultation, but it is estimated that approximately 700 responses were made by panel members. I have asked officers to ensure that this information is captured in any further citizen engagement sessions.

In relation to Council Tax and comparisons with other Local Authorities, as you know all Councils will be considering proposals over the coming weeks (statutory deadline is the 11th March) and as such, no detailed or final information is available. However, once all information is known I will provide you with the Council Tax information for all Welsh authorities which will show how Cardiff compares with others.

I can confirm that Phase 1 of the work on Churchill Way Canal will be complete by the end of March 2023.

In respect of concerns about the City Centre and its transport links due to the impact of both the pandemic and working from home I have asked the Director of Planning, Transport & Environment to provide you with a briefing note in the next week that will evidence public transport and private car usage and city centre footfall.


I can confirm that the £500k Taxi Grant Scheme will be funded from the Financial Resilience Mechanism. I can confirm that your Committee will be provided with a progress update on the details of the pilot scheme as it develops.



Members requested more information on the potential impact of the savings proposal for the Shared Regulatory Service. The £86k saving equates to the amount of inflationary growth that would normally have been applied to the SRS budget. The inflationary growth has not been applied and the budget has therefore remained the same as last year. This nonetheless represents a reduction of budget in real terms. The saving will be managed through administrative changes including the deletion of a senior administrative officer post and reallocating duties and reducing operational budgets such as mileage (more hybrid working), and other efficiency savings. There is no proposal to reduce the number of qualified Environmental Officers/Trading Standards Officers on the frontline in Cardiff. At the meeting it was however outlined that there has been difficulty in recruiting to these posts and this is contributing to a current shortage of frontline staff. Details of the recruitment process used has been requested and will be forwarded to the Chair for circulation to Committee once collated.

I hope that this letter captures all the points raised in your letter and thank you again for your support in the budget process this year.

Yours sincerely,

A handwritten signature in black ink on a yellow rectangular background. The signature appears to be 'C. Weaver' in a cursive, flowing script.

Y Cyngorydd/Councillor Christopher Weaver
Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member for
Finance, Modernisation & Performance

cc

Chris Lee – Corporate Director Resources;

Ian Allwood – Head of Finance

Andrew Gregory, Director of Planning, Transport and Environment

Neil Hanratty – Director for Economic Development

Graham Harris - Operational Manager, Recycling Services

Helen Picton, Operational Manager – Consumer Protection, Shared Regulatory Services

Heather Warren, Cabinet Support Office

Cabinet Support Office

Joanne Watkins, Cabinet Business Manager

Rita Rohman and Christine Brain, Director of Resources' Office

Imelda Seymour and Jonathan Childs, Director of Planning, Transport & Environment's Office

Clair James, Director of Economic Development's Office

Leaders of the Opposition

Chris Pyke, Audit Manager, Operational Manager Internal Audit

Tim Gordon - Head of Communications & External Relations

Members of Cardiff's Environmental Scrutiny Committee



Date: 22 February 2022

Councillor Weaver
Cabinet Member, Finance, Modernisation and Performance
Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear Councillor Weaver,

Economy & Culture Scrutiny Committee: 21 February 2022

On behalf of the Economy & Culture Scrutiny Committee, please accept Members' thanks for attending, along with Cabinet colleagues and officers, for our scrutiny of the draft Corporate Plan 2022-2025 and Budgetary Proposals. Members have asked that I pass on the following comments and observations, which are set out to mirror the structure of the meeting.

Corporate Plan 2022 – 2025

Members looked at the proposed steps, measures, and targets in the areas of the Corporate Plan relevant to our terms of reference. Members were pleased to note that the Corporate Plan now includes reference to Regional Sports Partnerships, as recommended by the Scrutiny Performance Panel, which includes the Chairs of all the scrutiny committees.

Overall Budget

Members note the following points in particular:

- That it is felt to be sensible and prudent to retain a £2M Contingency Fund
- That evidence-based judgements, based on costs tracking and modelling, are used to inform the quantum of pressures and realignments required and that these are continually tracked, with reports brought to Cabinet and Council
- That the budget contains other resilience mechanisms to give comfort that the Council will be able to cope with currently unknown pressures

- That processes are in place to monitor slippage and overspends in the capital programme, starting with a firmer business case process and including regular communication with Directorates, monitoring and tracking of costs and supply issues, challenge sessions with Directorates, and reporting via the Governance and Audit Committee.

Members also discussed the disappointing response rate to the Budget Consultation, with 1,547 responses compared to 2,870 last year. Members note the intention for the new Citizen Engagement Strategy to include budget consultation as well as consultation with young people and were pleased to hear your support for the need to improve both these elements. At the meeting, Members highlighted the need to work with secondary school children to inform them about local democracy, rather than rely on surveys alone. Members suggest that the Citizen Engagement Strategy include actions to work with secondary schools to provide Year 11 students with interactive sessions on local democracy and citizenship, including how they can engage.

Into Work Services

Members wish to thank Helen Evans for attending committee alongside you for this section.

Members note that an additional £398,000 is allocated to Into Work services this year, via the Financial Resilience Mechanism, which gives comfort services can continue to be provided this year as the EU funding ceases following Brexit.

At the meeting, Members raised the possibility of linking the Onsite Construction Academy with the Indoor Arena project, to provide work experience, apprenticeships and jobs. Members are pleased to note that this is in hand and that officers are looking for every opportunity to work with developers across the city. Members welcome the news that a Social Value Officer is to be employed to boost this work, ensuring community benefits are maximised and that local people get local jobs.

Adult Community Learning

Members wish to thank Councillor Merry and Helen Evans for attending committee for this section.

Members were pleased to hear that the Welsh Government has not cut the Community Learning grant this year, albeit that a cut is expected in future years. Members note the service, having prepared for a cut, will now be able to provide additional courses. Members also note there is funding for digital learning courses to be expanded.

Cardiff Commitment

Members wish to thank Councillor Merry, Helen Evans and Suzanne Scarlett for attending committee for this section.

Members were pleased to note the additional four posts for this work and note that these posts go across the Economic Development and Education directorates, working collaboratively and with partners, including Into Work services, to extend the reach of Cardiff Commitment into growth sectors such as Creative Industries, Advanced Materials Manufacturing, Financial Services and Construction, as well as providing for a wider range of students, including those with Additional Learning Needs and those Educated Other Than At School (EOTAS).

Communities & Housing

Members wish to thank Councillor Thorne, Helen Evans, and Rebecca Hooper for attending committee for this section.

Members note Capital Programme Line 31 - £250,00 for neighbourhood, district, and local centre regeneration - will be spent on projects in Tudor Street, Cowbridge Road East, and then projects in Adamsdown and Roath, including Broadway, Clifton Street and City Road, with the proposed District and Local Centre Strategy used to identify further priorities. Members were interested to understand how lessons learnt from earlier projects, such as unexpected costs arising when improving shop frontages on older properties, have been built into these proposed projects, and note that future costings now include contingency for these and that other lessons arising will be assimilated into future plans, to ensure regeneration projects constantly improve.

Members sought clarification regarding savings line HAC E4 and note the digital efficiencies arise from the provision of self-scan stations in each hub, meaning some

staff were able to take voluntary redundancy, and that hybrid mail efficiencies arise from Willcox House and County Hall mailrooms aligning more efficiently in their use of hybrid mail.

Economic Directorate

Members wish to pass on their thanks to Councillor Thomas, Councillor Bradbury, Councillor Goodway, Neil Hanratty, Kathryn Richards, Jon Day, Jon Maidment and Steve Morris for attending.

Councillor Thomas's portfolio

Members note that detailed guidance regarding the UK Government's Shared Prosperity Fund is expected by Spring 2022. Members also note that the Corporate Joint Committee (CJS) has met to set its budget, as required, but that further work to resolve outstanding issues, such as tax issues, is required before the full City Deal remit is passported over to the CJC.

Councillor Bradbury's portfolio

Members note the £250,000 one-off funding for lighting in Parks, via the Financial Resilience Mechanism. At the meeting, Members sought to understand how ongoing maintenance and running costs would be met, for example whether the Parks base budget would receive an uplift. Members note the response that individual business cases will be developed for each proposal, which will include how lifecycle costs will be met, and that it is hoped to use solar power for lighting wherever possible.

Members wish to reiterate the points made in our letter to Councillor Bradbury, dated 20 January 2022, following our scrutiny of this issue, namely the need for eco-friendly, biodiverse friendly lighting that is shaped by the principles set out at point 29 of the report to Cabinet (January 2022) and by the findings of work underway by lighting consultants to inform proposals for lighting for cycle superhighway 4.

During the meeting, there was discussion whether there should be a target for the Key Performance Indicators K5.3, K5.4 and K5.5, which focus on visitors to Cardiff. Having considered this issue further during our way forward discussions, Members **recommend** introducing informal targets for these indicators, set at pre-covid levels, which are reported to the Committee periodically over the next 12 months. To be

clear, this means the targets would not be included in the Corporate Plan but held at Directorate level.

Members discussed the need to boost the marketing and promotion of Cardiff's many attractions to maximise the value of visitors stays. Members appreciate many visitors will look at online digital platforms and that digital demand for tourist information is greatest. However, Members believe other channels should also be utilised and that visitors would benefit from posters advertising attractions as well as posters promoting how to access the digital platforms, to assist visitors not as digitally confident as others.

Members are pleased to note the additional five posts for Youth Physical Activity and Sport Inclusion officers and that these will be council staff who work closely with partners, including Sport Cardiff, Youth Services and Play services, helping to implement the Physical Activity and Sport Strategy. Members note these officers will be street-based, working flexible hours responding to local needs and targeting areas where the need is highest.

Members are pleased to note the additional four posts for community engagement and safety in parks officers and that these will be embedded in the park rangers service, one in the Urban Park Rangers team and three in the Community Park Rangers team. As Councillor Bradbury referenced in the meeting, this committee has long called for increased resources for the park rangers' teams, given their outstanding work in ensuring safe and biodiverse parks.

Councillor Goodway's portfolio

Members sought clarification on the £105,000 policy growth for City Centre Management and note that it is for three new city steward posts, who will be council staff working with partners and other council teams, such as highways enforcement, to ensure the city centre is managed effectively and to assist the public.

Members note the four new posts for the Business Investment team, funded from policy growth, will work to access UK Government funding and other sources of funding, including private sector funds, to replace the EU funding no longer available.

Finally, as you referenced in the meeting, it became obvious during our meeting that the Committee did not have all the information it should have had to enable it to undertake budget scrutiny, for example, we did not have the detailed information on the uses of the Financial Resilience Mechanism or the Policy Growth areas, nor did we have the information relating to the Community Learning Grant. I believe it would be more straightforward and effective for corporate plan and budgetary proposals scrutiny to follow the model of other pre-decision scrutiny, with the full report to Cabinet plus appendices made available with committee papers. This would ensure scrutiny committee members received the same information as Cabinet and would make referencing information more straightforward for witnesses and members, as we would be using the same pack of information. I hope that this can be implemented for next year's scrutiny of the corporate plan and budgetary proposals.

Recommendation to be monitored following this scrutiny:

The Committee makes one formal recommendation, which is set out below.

As part of the response to this letter I would be grateful if you could state whether the recommendation is accepted, partially accepted, or not accepted and summarise the Cabinet's response. If the recommendation is accepted or partially accepted, I would also be grateful if you could identify the responsible officer and provide an action date. This will ensure that progress can be monitored as part of the approach agreed by Cabinet in December 2020.

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Implementation Date
The Committee recommends that informal targets, set at pre-covid levels, be introduced for the Key Performance Indicators K5.3, K5.4 and K5.5, and reported to this Committee periodically over the next 12 months. To be clear, this means the targets would not be included in the Corporate Plan but held at Directorate level.				

Thank you once again for your attendance at Committee. I would be grateful if you would consider the above and work with the relevant Cabinet portfolio holders to provide a response to this letter.

Yours sincerely,



COUNCILLOR NIGEL HOWELLS
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
Eshaan Rajesh – Youth Council representative
Group Leaders - Cllr Robson, Cllr Taylor, Cllr K Parry
David Hugh Thomas – Chair, Governance & Audit Committee
Cllr Merry Cllr Thorne Cllr Thomas Cllr Bradbury Cllr Goodway
Chris Lee Ian Allwood Gill Brown
Neil Hanratty Kathryn Richards Jon Day Jon Maidment Steve Morris
Jane Thomas Helen Evans Rebecca Hooper Suzanne Scarlett
Rita Rohman Christine Brain Clair James
Cabinet Support Office Rita Rohman Clair James
Chris Pyke Tim Gordon Jeremy Rhys

Cyf/My Ref:: CM47240
Eich Cyf/Your Ref:: T: Scrutiny/Correspondence/Cllr NH

Dyddiad/Date: 24 February 2022

Councillor Nigel Howells
Chairperson Economy & Culture Scrutiny Committee
City of Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear Nigel

Economy & Culture Scrutiny Committee : 21 February 2022

Thank you for your letter dated 22 February 2022 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 24 February 2022.

As requested, please find attached at Appendix A, a response to the recommendation made by your Committee in respect of Key Performance Indicators (KPIs) for visitors to Cardiff. In summary, the recommendation is partially accepted, and we will monitor numbers closely, but this has to be set of the context of only now emerging from the pandemic.

In response to the issues raised on consultation, I noted in the meeting that the response rates from young people was disappointing and whilst clearly the pandemic constrained the ability to have face to face meetings, I have asked officers to consider and implement actions that deliver tangible improvements in this area going forward

I note your comments on the availability of some papers in respect of the budget scrutiny. Full details of proposals had been published in the Cabinet papers and as in previous years, the detail provided to Scrutiny was tailored to focus on areas within scope for the Committee. Whilst additional detail was shared with Scrutiny Committees that was not published in the Cabinet papers, I do acknowledge that more information on some aspects could have been better signposted, and I have asked the Corporate Director of Resources to reflect on the complexity and detail of the budget papers and consider any improvements that could be made to the process going forward.

The Committee's view on the opportunities to market the City as much as possible is noted and officers will ensure that all avenues are explored, including reaching those who may not have access to digital channels as the Committee noted.

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cynghor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



I hope that this letter captures all the points raised in your letter and thank you again for your support in the budget process.

Yours sincerely

A handwritten signature in black ink on a yellow rectangular background. The signature appears to be 'C. Weaver' in a cursive, flowing style.

Y Cyngorydd/Councillor Christopher Weaver
Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member for
Finance, Modernisation & Performance

cc Members of the Economy & Culture Scrutiny Committee
 Eshaan Rajesh – Youth Council Representative
Group Leaders - Cllr Robson, Cllr Taylor, Cllr K Parry
David Hugh Thomas – Chair, Governance & Audit Committee
 Cllr Thomas
 Cllr Bradbury
 Cllr Goodway
 Cllr Merry
 Cllr Thorne
 Chris Lee
 Ian Allwood
Gill Brown
 Neil Hanratty
Kathryn Richards
 Jon Day
 Jon Maidment
Steve Morris
 Jane Thomas
 Helen Evans
 Rebecca Hooper
 Suzanne Scarlett
 Cabinet Support Office
 Rita Rohman
Chris Brain
 Clair James
Chris Pyke
Tim Gordon
Jeremy Rhys

Appendix A

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Action Date
<p>The Committee recommends that informal targets, set at pre-covid levels, be introduced for the Key Performance Indicators K5.3 (The number of staying visitors), K5.4 (Total visitor numbers) and K5.5 (Total visitor days), and reported to this Committee periodically over the next 12 months. To be clear, this means the targets would not be included in the Corporate Plan but held at Directorate level</p>	<p>Recommendation Partially Accepted</p>	<p>As set out at the Committee, the Council has agreed to monitor the performance indicators, corporately and at directorate level. However, given the impact of Covid on the tourism sector and the prevailing level of uncertainty, setting targets at this juncture is considered to be premature.</p> <p>The Directorate will continue to monitor performance in the context of previous targets and the work being undertaken to progress Cardiff's post covid tourism strategy.</p>	<p>Jon Day</p>	<p>N/A</p> <p>Quarterly consideration of Corporate Plan Key Performance Indicators.</p>

Date: 23 February 2022

Councillors Huw Thomas
Leader, and Chris Weaver, Cabinet Member
Finance, Modernisation and Performance,
City of Cardiff Council
County Hall
Cardiff
CF10 4UW



County Hall
Cardiff,
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Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Dear Huw and Chris,

Policy Review & Performance Scrutiny Committee: 23 February 2022.

Thankyou both for attending the Policy Review and Performance Scrutiny Committee today for consideration of the draft Corporate Plan 2022-25 and the draft Budget Proposals 2022-23. Following my final budget scrutiny as Chair I wish to convey the Committee's gratitude for your co-operation. I concur with your sentiment that we have successfully established a constructive relationship between Cabinet and Scrutiny over the past 5 years for the benefit of the city and its services. Please also pass my sincere thanks to the Chief Executive, Corporate Directors, and senior officers in attendance to answer Members' questions.

Members commend officers on the production of the Corporate Plan and acknowledge that the robust constructive framework within which it is developed is central to the Council's self-assessment arrangements. We are particularly proud that the Performance Panel, created from this Committee, plays its part in the process and that the Chief Executive considers it a model of best practice. That said, Members have asked me to pass on the following observations and concerns. Firstly, comments on the Corporate Plan; secondly on the Corporate Revenue Budget; followed by our comments on the Capital Programme.

Corporate Plan 2022-25

Accessibility

The Corporate Plan is clearly a valuable reference document for internal stakeholders to measure performance, however Members were keen to establish how accessible you consider it for our external stakeholders, particularly given the

intention to reach out more with the commitment in the Plan to develop and publish a new Citizen Engagement Strategy by October 2022. We note the Plan's complexity reflects the scale of Cabinet's ambition and the breadth of Council operations, and that social media now delivers key messages in bite sized pieces. We consider an executive summary would be worthwhile and we **recommend** that you ensure the Council's Communications & External Relations service is central to the engagement strategy.

Citizen Engagement Strategy

Members welcomed the prospect of a new Citizen Engagement Strategy that addresses a multi-channelled world but raised a concern that there are many citizens who claim they are unsighted on online surveys and social media posts. We were therefore pleased to hear that the forthcoming strategy, in focussing on participation in decision-making alongside consultation, will return to some face-to-face engagement.

Out-of-hours access to services

Members are of the view that the new administration will need to examine social media online access to services. It is felt that the availability of Council services through social media is poor outside of normal Council opening times. We note the Leader's commitment that this too will form a part of the Citizen Engagement Strategy and the Chief Executive's confidence in future out of hours capability.

Southern Arc

The Committee observed there was little reference in the Corporate Plan to inequalities of the Southern Arc, as had been the case in many previous Plans. We were keen to establish the results of Council actions in this area. We note this narrative has been replaced with Covid updates and the Leader's conviction that the Southern Arc remains front and centre, as evidenced by schools' investment, job support, money advice services, living wage policies, expansion in council housing and addressing health inequalities through stronger collaboration with the Health Board.

Customer service & performance assessment

The Committee wishes to place on record its thanks to those officers that have visibly gone above and beyond during the pandemic, officers in the Social Services Directorate were mentioned by one member. Members suggest that the incoming administration examines more closely how individual services have performed throughout the pandemic. Members cited examples of poor front facing service experience in some areas and consider this will be important to correct with the introduction of hybrid working. We were pleased to note the Chief Executive's view that, going forward, there would be a resumption of management guidance on customer service and work is in progress to again raise the profile of customer service following a previous inquiry and accepted recommendations of this Committee. In similar vein Members highlighted the opportunity, with the introduction of hybrid working, for HR to broaden its range of services to include organisational development expertise and staff capable of offering facilitation to team development activities.

Council services

Members note, with the increasing NHS waiting lists, the Council should perhaps be doing more to support citizens awaiting diagnosis, treatment, or facing difficulty coping at home either physically or financially. We note the locality approach with community connectors will ensure more community preventative work, and in the future, there will be a suite of indicators that measures progress.

The Committee is concerned that the Council continues to face waste management challenges including missed assisted lifts, failed collections in some areas and high absence levels. The Council's recycling level falls well below the Wales average which is the most suitable comparator. We note your view that the 4-day week has had a positive impact and the ongoing pilot scheme is improving recycling rates and may need to be rolled out by a new administration.

Finally, Members wish to ensure that the Socially Responsible Procurement Strategy ensures that small businesses are enabled to bid for Council work effectively. We consider there is merit in consulting with small businesses to seek feedback on their experiences in this respect. We **recommend** that a review process is set up to seek the views of local businesses which have engaged or would wish to engage with

Cardiff's procurement system, particularly those which are small in size and resources. There is also scope for officers to assess how accessible the application process is for small businesses who are inexperienced in the complexities of bidding for public sector contracts.

Corporate overview of Budget Proposals 2022/23

COVID related pressures

With the removal of the Covid Hardship Fund, given that the Council has claimed over £120m from that fund over the last 2 years, Members were keen to establish how a figure of £10m was arrived at for the ongoing Covid related pressures the Council faces. We note you recognise that £10m is less than previous year's costs and that you will be monitoring the position throughout the year and will use reserves if necessary. We also note that income has not yet reached pre-Covid levels, and you are forecasting a £5-6million reduction in income for 2022/23.

Members sought to establish levels of Covid related spend in the past two years and therefore what risks are inherent in the Covid-19 recovery plan. We inquired whether there is a RAG rating that allows an assessment of whether £10m will be sufficient, and therefore what levels of reserve may need to be used. We note the Council has spent £2m per month so far at month 9 and there are still some significant costs outstanding. We also note that some income is delayed rather than lost, that earmarked reserves are available for corporate recovery, and are marked as an amber risk.

Non-domestic rates

The Committee highlighted the risk of continuing business failures leading to lower levels of non-domestic rates. We note the economic development agenda and Corporate Plan steps to support the City Centre recovery. Members also acknowledge that business rates are pooled in Wales and re-distributed through revenue grants, many of which have supported businesses throughout the pandemic with the Council ensuring available grants are quickly made available to frontline businesses.

Cost of borrowing – revenue budget

Given the increasing interest rates and increasing energy costs, Members were keen to establish the potential increases in the cost of borrowing faced by the Council. We were reassured that the Council has regular contact with external advisors on this matter and has also factored in contingency funds to address energy price increases of 13% and 24%.

Budget Consultation

Members highlighted a reliance on the poorly supported Ask Cardiff survey alongside budget consultation to set budget priorities. There are also pressures to address the very disappointing response from young people. We note the forthcoming Citizen Engagement Strategy will seek to address this and apply a cost benefit analysis to Ask Cardiff. We look forward to seeing its results.

Council tax increase

The view was expressed that, against a backdrop of increasing costs of living, a 1.9% increase in Council Tax is a material increase for the standard hard-working resident and a freeze might be more appropriate in the current economy. We note your view that the medium-long term security of Council services is paramount, and you consider a balance has been struck.

Free school meals

Members sought clarification that Welsh Government will pick up the whole cost of free school meals. We accept your offer of a response from the Director of Education on this matter with details of the phased implementation plan which will include an assessment of extra staff and kitchen equipment costs which will affect most schools.

Linking budget and performance

The Committee remains interested in the progress you are making in linking the Council's budget to performance outcomes. We note there has been an improvement in performance reporting over the past 5 years. The Council has moved on noticeably and therefore we would expect to see further progress in pursuing the link between Budget Strategy and Corporate Plan, with an emphasis on bringing both forward to Directorate performance challenge sessions.

Recruitment

We note the net increase in staffing proposed by this budget. As the Council aspires to be a more inclusive workforce it is important that we target BAME communities effectively and we look forward to hearing of progress on the recruitment of a representative workforce at all grades through the work of the Race Equality Taskforce.

Capital Programme 2022/23 – 2026/7

Risk

Members are aware that there are inherent risks in the Capital Programme, such as materials supplies, building costs and the capacity to deliver and stay on track. We note that any capital project is always based on a business case, which will include the cost of any borrowing and be prudent in terms of debt repayment levels. The Governance and Audit Committee regularly reviews borrowing and risk. Members felt that published quarterly rather than annual monitoring of borrowing risk would identify issues sooner, particularly where there is geopolitical inflationary activity. The Committee is therefore seeking reassurance of the Council's total risk exposure. Whilst you report that there are no red flags at present, **we request** that you supply Members with information in respect of the total borrowing sums and their terms, included in all business cases.

Projects

The Committee heard that, whilst a decision and business case is outstanding in respect of core office arrangements, the Council is prepared for the costs associated with priorities such as the building renovation/development associated with introducing an agile working model. A published fully costed analysis would be a helpful source of information for scrutiny members.

The Committee was advised there is as yet no identified location for the Household Waste Recycling Centre for North Cardiff, however the project continues to be listed in the capital programme. Members noted a lack of any progress in acquiring a site to build this replacement centre

Cost of borrowing – capital programme

Members expressed concern that some capital investment does not generate income for the Council to repay the cost of borrowing and cover the final debt. We note the Council must invest in its assets and deliver an infrastructure for the future and often the income comes from Welsh Government. We are reassured by the section 151 officer, who has indicated that the Council's approach is robust and within appropriate limits. However, given that borrowing has increased over the past 5 years and may limit borrowing in future years the **Committee requests** that you provide Members with details of the costs associated with servicing the debt.

Section 106 funding

The Committee acknowledges the sizeable contribution from section 106 planning gain money for schools' construction, however, considers a vital piece of future research would be to assess the total costs the Council would incur and the balance between 106 contributions and money the Council will need to find itself. This is particularly important given that five new schools are projected for NE Cardiff LDP area and potentially a similar number in the west of the city. You suggested that the Directors of Education and Finance would collaborate to provide this analysis, and we are therefore **requesting** that is provided to the committee.

Members are also making an **additional request** for a list of highways improvements implemented across the city, including the costs by ward.

Requests following this scrutiny:

- That you supply Members with information in respect of the total borrowing sums and their terms included in all Capital Programme business cases.
- Given that borrowing has increased over the past 5 years and may limit borrowing in future years the Committee requests that you provide Members with details of the costs associated with servicing the capital programme debt.
- That the Directors of Education and Finance collaborate to provide analysis. of research to assess the total costs the Council would incur for schools' construction, and the balance between section 106 contributions and money the Council will need to find itself.
- A list of highways improvements implemented across the city, including the costs by ward.

Recommendations to be monitored following this scrutiny:

To summarise, the Committee makes 2 formal recommendations which are set out below. As part of the response to this letter I would be grateful if you could, for each recommendation, state whether the recommendation is accepted, partially accepted, or not accepted and summarise the Cabinet's response. If the recommendation is accepted or partially accepted. I would also be grateful if you could identify the responsible officer and provide an action date. This will ensure that progress can be monitored as part of the approach agreed by Cabinet in December 2020.

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Implemen- tation Date
1. That you ensure the Council's Communications & External Relations service is central to development of the Citizen Engagement Strategy.				
2. That a review process is set up to seek the views of local businesses which have engaged, or wish to engage, with Cardiff's procurement system, particularly those which are small in size and resources, to assess how accessible the application process is for small businesses.				

On behalf of the Committee and the Scrutiny service, thank you for your commitment in engaging with the five Scrutiny Committees, both in respect of the Corporate Plan 2022/25 and of the Budget Proposals 2022/23. I sincerely hope the new administration of the Council will take forward the tone of constructive challenge that we have sought to establish between Cabinet and Scrutiny in recent years.

Yours sincerely,



COUNCILLOR DAVID WALKER

CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
 Paul Orders, Chief Executive
 Chris Lee, Corporate Director Resources
 Sarah McGill, Corporate Director, People & Communities
 Ian Allwood, Head of Finance
 Anil Hirani, OM Capital, Corporate & Treasury
 Gareth Newell, Partnership and Community Engagement Manager
 Dylan Owen, Head of Cabinet Office
 Gary Jones, Head of Democratic Services
 Mr David Hugh Thomas, Chair, Governance & Audit Committee
 Chris Pyke, OM Governance & Audit
 Tim Gordon, Head of Communications & External Relations
 Jeremy Rhys, Assistant Head of Communications and External Affairs
 Joanne Watkins, Cabinet Support Office
 Debi Said, PA to Leader

Cyf/My Ref::

Eich Cyf/Your Ref:: T: Scrutiny/PRAP/Comm Papers/Correspondence

Dyddiad/Date: 24 February 2022

Cllr David Walker
Chairperson, Policy Review and Performance Scrutiny Committee
City of Cardiff Council
County Hall
Cardiff
CF10 4UW

Dear David

Policy Review & Performance Scrutiny Committee 23rd February 2022

Thank you for your letter dated 23 February 2022 and the useful comments raised. I can assure you that Cabinet was able to reflect on the points raised prior to our meeting on 24 February 2022.

Some specific comments in respect of the points made in relation to the Corporate Plan, Corporate Revenue Budget and Capital Programme are included below:

Corporate Plan 2022-25

The Committee's comments in relation to accessibility are noted and as requested, please find attached at Appendix A, a response to the recommendation made by your Committee in respect of the role of the Council's Communications Services. In summary, the recommendation is accepted, and the Service will be a key part in the development of the Citizen Engagement Strategy moving forward.

In respect of the Committee's second recommendation, Appendix A also contains the response in relation to seeking the views of local businesses wishing to engage with the Council's procurement system. In summary, the recommendation is accepted, and details will be included in the new Socially Responsible Procurement Strategy and progress against this will be reported annually.

Finally, following the discussion on customer and council services and access to services, Cabinet has escalated work being undertaken in this area as part of a managed transition to hybrid working. Therefore, a new step *"Introducing new customer service standards and working practices which ensure quality of service as part of the transition to hybrid working,"* will be included in the final draft post Cabinet of the Plan that goes to Council.

Corporate Overview of Budget Proposals 2022/23

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cynghor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



The Committee's comments in relation to key strategic build elements within the budget are noted.

One specific was raised in relation to planned implementation of Free School Meals (FSM) for primary aged pupils. After referring the matter to Education Officers, the Council is working closely with Welsh Government as they develop their policy in this area and will report back to the Committee when an update is available which will also include an update on any implications on the Pupil Development Grant.

Capital Programme 2022/23 – 2026/27

The Committee's review and comments in respect of the Council's proposed Capital Programme for 2022/23 – 2026/27 are noted.

In respect of details requested in terms of borrowing, the Council carries out its borrowing activities resulting from its capital strategy in accordance with the Treasury Management Strategy approved by Council at the start of each financial year (with updates to both Council and Governance and Audit Committee during the year).

The Council does not undertake external borrowing for specific capital projects. It borrows to meet its overall Capital Financing Requirement and currently has a single pool of borrowing which includes the Housing Revenue Account.

The Treasury Management Strategy which is included at Annex 4 to the Cabinet budget papers includes significant detail in accordance with CIPFA Codes of practice in respect of the Council's borrowing strategy. Similar detail is included in the Council's Capital Strategy Annex 3.

To summarise, the following table included in the Strategy at Annex 3 shows the actual level of external borrowing currently held by the Council, external borrowing taken to date in 2021/22 and scheduled loan repayments in future years. It compares this to the projected need to borrow based on estimates and timing of the Council's capital expenditure, proposed MRP policy and indicative funding plans as set out in the budget report for 2022/23. This highlights the requirement for the Council to undertake further external borrowing in future years, however the detailed terms of any borrowing will be subject to interest rates, timing of any borrowing and progress on delivering the programme. Regular review of forecasts is undertaken throughout the year as well as annual updates of the strategies as part of the annual budget process.

Indicator							
Gross External Borrowing and the Capital Financing Requirement							
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m
External borrowing at 1 April	829	811	857	838	840	836	830
Known / New borrowing	3	73	4	6	tbc	tbc	tbc
Scheduled repayments	(21)	(27)	(23)	(4)	(4)	(6)	(9)
External Borrowing at 31 March	811	857	838	840	836	830	821
Capital Financing Requirement	841	910	1,030	1,257	1,393	1,424	1,434
Shortfall / (Surplus) borrowing requirement	30	53	192	417	557	594	613
Requirement as % of CFR	3	6	19	33	40	42	43

In terms of the request for further information on the costs associated with servicing debt, the total cost projected for 2026/27 currently is £109M being repaid from General Fund and HRA Budgets, broken down as net General Fund Capital financing costs £41M, general expenditure undertaken on the basis of borrowing paying for themselves £29M and Housing Revenue Account £39 million. These projections will be subject to progress on projects, timing and rates of any borrowing requirement as highlighted in the Treasury Management Strategy for 2022/23 and future years.

All borrowing is undertaken in accordance with the CIPFA Prudential Code and CIPFA Treasury Management Code requirements in respect of affordability, prudence, proportionality, and sustainability of borrowing and numerous indicators are used to monitor and manage the position.

The affordability indicators referred to above and included in the Capital Strategy within the affordability section are replicated below.

In accordance with the principles of Invest to Save, the net ratio assumes that any costs of undertaking additional investment are recovered over time from directorate or other revenue budgets. A number of projects are being made on an invest to save basis, and you can see the net position if they progress according to the parameters set out in their approved business case. However we feel it is also important to note that we are also aware of and report the gross or worst case position which is felt prudent and affordable with mitigations in place.

A gross ratio is also calculated which indicates the gross capital financing cost i.e. it represents a worst-case scenario, highlighting the proportionality of such investment.

Indicator							
Ratio of Financing Costs to Net Revenue Budget Stream							
	2020/21 Actual %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %
General Fund – Net Capital Financing Budget	4.73	4.77	4.58	4.69	4.71	4.70	4.90
General Fund – Gross Capital Financing Budget	6.99	7.18	6.90	7.50	8.22	8.39	8.44
Housing Revenue Account (HRA) – Gross Capital Financing Budget	32.72	32.24	32.16	33.36	36.23	38.49	37.72

Two additional local indicators are also produced for the General Fund only, to support decision making and are shown in the tables below for the period up to 2026/27. The first indicator shows the ratio of capital financing costs expressed as a percentage of its controllable revenue budget. This excludes expenditure on levies, Council Tax support and delegated school's budgets.

Indicator								
Capital Financing Costs expressed as percentage of Controllable Budget								
	2011/12 Actual %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %	Difference 11/12-26/27 %
Net	13.47	11.23	9.83	10.14	10.19	10.21	10.68	(20.71)
Gross	15.17	16.83	14.73	16.11	17.66	18.12	18.34	20.90

The second additional indicator below for the General Fund and HRA highlights the impact of the increasing Capital Financing Requirement (Debt) as a ratio of the projected Net Revenue Stream. It is an indicator of financial sustainability and helps to explain the relationship of debt to the resources available to deliver services.

Indicator									
Capital Financing Requirement (Debt) as a ratio of the Net Revenue Stream									
	2011/12 Actual %	2020/21 Actual %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %	
General Fund	0.72	0.82	0.84	0.89	1.07	1.13	1.10	1.06	
Housing Revenue Account (HRA)	2.24	3.78	4.13	4.43	4.97	5.39	5.41	5.35	

The Committee commented on the potential capital costs of the move to agile / hybrid working. This is being considered further and will form part of the review of Core Offices that will come forward later this year.

In relation to Section 106 funding, you requested some analysis is provided on current plans to utilise such funding for the school estate and the balance that would need to be found via the Council's own funding. The Director of Education will provide the Committee with a baseline position in respect to the schools identified in the LDP and will set out the next steps in terms of providing information including estimated cost, timescales and the other factors that need to be taken into consideration. The Children's and Young People Committee will continue to be updated with school building throughout the year.

Finally in response to the Committee's request for a list of highways improvements implemented across the City on a ward basis, the Director of Planning, Transport and Environment will collate the information required and as part of that exercise consider the level of detail that can be presented on a geographical basis. A response will be provided to Committee as soon as this is available.

I hope that this response captures all the points raised in your letter and thank you again for your support in the budget process.

Yours sincerely



Y Cyng | Cllr Huw Thomas
Arweinydd Cyngor Caerdydd | Leader, Cardiff Council



Y Cyngorydd/Councillor Christopher Weaver
Aelod Cabinet dros Gyllid, Moderneiddio a Pherfformiad/Cabinet member for
Finance, Modernisation & Performance

cc

Members of the Policy Review & Performance Scrutiny Committee

Paul Orders, Chief Executive

Chris Lee, Corporate Director Resources

Sarah McGill, Corporate Director, People & Communities

Ian Allwood, Head of Finance

Anil Hirani, OM Capital, Corporate & Treasury

Gareth Newell, Partnership and Community Engagement Manager

Dylan Owen, Head of Cabinet Office

Gary Jones, Head of Democratic Services

Mr David Hugh Thomas, Chair, Governance & Audit Committee

Chris Pyke, OM Governance & Audit

Tim Gordon, Head of Communications & External Relations

Jeremy Rhys, Assistant Head of Communications and External Affairs

Joanne Watkins, Cabinet Support Office

Debi Said, PA to Leader

Appendix A

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Implementation Date
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1. That you ensure the Council's Communications & External Relations service is central to development of the Citizen Engagement Strategy.	Accepted	<p>The Council's Communications & External Relations team have played an increasingly important role in the Council's consultation and engagement work, particularly over the course of the Covid-19 pandemic where the Council has had to rely predominantly on digital channel of communication. This will continue to be the case and they will be a central role in the development of the Citizen Engagement Strategy.</p> <p>Consideration will also be given to the production of an executive summary of the Corporate Plan in future years.</p>	Gareth Newell	October 2022
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2. That a review process is set up to seek the views of local businesses which have engaged, or wish to engage, with Cardiff's procurement system, particularly those which are small in size and resources, to assess how accessible the application process is for small businesses.	Accepted	<p>The new Socially Responsible Procurement Strategy is currently being drafted. Seven key principles have been agreed which will be central to what we do, one of these is "Making procurement spend more accessible to local small businesses and third sector".</p> <p>The new strategy will set out the actions the Council will take to deliver against each principle. The actions for the above are likely to include raising awareness of how to do business with the Council among local businesses; publishing the Contract Forward Plan online; better understanding of the local supply market by analysing spend data and business directories; undertaking targeted engagement with the Third Sector and local businesses; and working with Welsh Government and the Cardiff Capital Region to deliver a</p>	Steve Robinson	July 2022
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		<p>consistent procurement process.</p> <p>More detail on each action will be included in the supporting delivery plan. Progress will be reported on annually.</p>		
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