

MEDIUM-TERM FINANCIAL PLAN

SAVING PROPOSAL ASSESSMENT

DIRECTORATE: Economy & Environment

SERVICE AREA: Regeneration / Visitor Economy & Destinations

1. GENERAL INFORMATION

SAVING PROPOSAL TITLE: Tourism Venues – Reduce the subsidy across the portfolio

BUDGET AREA: Visitor Economy & Destinations

TOTAL BUDGET FOR THIS AREA: £1,370,747

% OF TOTAL BUDGET IN SAVINGS PROPOSAL: 18.24%

TOTAL SAVING: £250,000

Please provide a brief description of how the saving will be achieved:

The budgets for each destination will be reduced, with the revised subsidy based broadly on reductions forecast to be achieved in 2022-23 (at the end of Period 7). In 2023-24, the subsidy reduction for each destination will be:

- New Tredegar Winding House = £10,000
- Llancaiach Fawr Manor = £90,000
- Cwmcarn Forest Drive = £75,000
- Caerphilly Visitor Centre = £25,000
- Blackwood Miners Institute = £50,000

These reductions will be achieved via a combination of increased income and reduced expenditure as is proving to be feasible during 2022-23.

2. PUBLIC IMPACT ANALYSIS

PLEASE DESCRIBE HOW THE PROPOSED SAVING COULD IMPACT UPON THE PUBLIC:

Consider the 5 ways of working, in particular, *long-term* implications for future generations and *preventative services*. Recognising that savings now may be needed to secure future provision, or may secure provision in another area.

Long-term guidance: Consider the importance of balancing short-term needs with the need to safeguard the ability to meet long-term needs.

The proposed savings will have an impact on business development potential as each destination will be cut back to a bare minimum in terms of operational capacity. However, each should be able to survive and provide a reasonable standard of service.

That said, as further budget reductions are on the horizon, any subsequent reductions will have to be accompanied by more swingeing cuts in service delivery, i.e., more radical solutions will need to be considered, including perhaps the closure or re-purposing of destinations.

Prevention guidance: Consider whether the proposed saving is affecting a preventative area that reduces future burdens and supports well-being.

As mentioned above, the proposed savings will allow each of the five destinations to continue providing their services, each of which is an important local provision to benefit local residents' mental health and well-being, in addition to the wider tourism sector.

At present, these local services can continue in 2023-24, but any subsequent reductions in future years, will have an operational impact as services will have to be sacrificed or significantly reduced.

DOES THE PROPOSAL HAVE THE POTENTIAL TO IMPACT MORE GREATLY ON PEOPLE WITH PROTECTED CHARACTERISTICS? (age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation)

* Yes ☐ No ☒

DOES THE PROPOSAL IMPACT ON PEOPLE WHO FACE SOCIO-ECONOMIC DISADVANTAGE? (low income/income poverty, low wealth/or no wealth, material deprivation, area deprivation, socio-economic background, cumulative impact – information on [Policy Portal](#))

* Yes ☐ No ☒

DOES THE PROPOSAL HAVE AN IMPACT ON THE WELSH LANGUAGE? (opportunities to use the language, promote the language and/or treating the Welsh language less favourably than the English language)

* Yes ☐ No ☒

NB * If **YES** to any of the above, please complete an [Integrated Impact Assessment](#) (IIA). For further advice and guidance please see the [Policy Portal](#). A Saving Proposal Template or an IIA, if relevant, must be submitted to be included as hyperlinks to all decision reports related to the proposed savings. IIAs are not required for nil impact proposals.

PLEASE DETAIL ANY CONSULTATION THAT HAS BEEN UNDERTAKEN IN CONSIDERING THIS PROPOSAL. Summarise any feedback received.

Consultation on this proposal was undertaken as part of the council's wider draft budget setting consultation. There were mixed views in relation to this proposal however, overall, there was more support than disagreement. In general, there was an agreement that income generation should be explored further by the council.

IS FURTHER CONSULTATION REQUIRED BEFORE THIS PROPOSAL CAN BE IMPLEMENTED?

Yes ☐ No ☒

NB* Please seek guidance from Corporate Policy, who can advise on whether a formal consultation is required and adherence to the Gunning Principles.

TAKING ACCOUNT OF THE ABOVE AND THE IMPACT RATING DEFINITIONS, PLEASE INDICATE THE PUBLIC IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):

Nil ☒ Minor ☐ Moderate ☐ Significant ☐ Critical ☐

3. ORGANISATION IMPACT ANALYSIS

PLEASE DESCRIBE HOW THE PROPOSED SAVING COULD IMPACT UPON THE ORGANISATION:

In the year ahead, there should be negligible or no impact on the organisation as the savings are based on reductions in the budget being achieved in 2022-23. However, there may be some reduced flexibility from a business development perspective as each destination will have no budget for speculative projects and innovations.

PLEASE DESCRIBE HOW THE PROPOSED SAVING WILL IMPACT UPON MEMBERS OF STAFF:

Such significant reductions in budget are based on operating at minimum staffing levels. This could result in increased workloads for individuals during un-forecasted busier periods. Opportunities to work additional hours may also have to be reduced when compared to previous years.

NUMBER OF FULL-TIME EQUIVALENT (FTE) STAFF IN BUDGET AREA AFFECTED:

NUMBER OF POSTS AFFECTED BY THE PROPOSED SAVING:

None

PLEASE SPECIFY HOW THIS WILL BE MANAGED:

HOW MANY POST(S)(please state)

- ALREADY VACANT: Posts currently vacant are being recruited.
- VOLUNTARY SEVERANCE: None
- RETIREMENT: One at Llancaich Fawr, but this is covered by another savings proposal.
- REDEPLOYMENT: None
- REDUNDANCY: None

PLEASE PROVIDE DETAILS OF WHEN THIS WILL BE IMPLEMENTED:

N/A

WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER DIRECTORATE, SERVICE AREA OR TEAM WITHIN THE COUNCIL? (please tick)

Yes ☐ No ☒

WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER PUBLIC SECTOR PARTNER, OR VOLUNTARY SECTOR PARTNER? (please tick)

Yes ☐ No ☒

If **yes**, please consider the 5 ways of working, in particular *integration*.

DESCRIBE:

- THE AREA(S) AFFECTED; AND
- HOW THE PROPOSED SAVING WILL IMPACT

Integration guidance: Consider how the proposal will impact on other service areas, or partners, and their ability to meet their objectives.

HAVE ANY OPTIONS BEEN CONSIDERED TO MITIGATE ORGANISATIONAL IMPACT?

PLEASE PROVIDE DETAILS OF ANY MITIGATION (e.g. gradual reduction in service, income generation, transferrable skills of staff, commercialisation of the service etc.)

In addition, consider the 5 ways of working, in particular, acting in *collaboration* with other service areas or partners.

As mentioned previously, the proposed reductions in subsidy should be managed to minimise or avoid any organisational impact.

TAKING ACCOUNT OF THE ABOVE AND THE IMPACT RATING DEFINITIONS, PLEASE INDICATE THE ORGANISATIONAL IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):

Nil ☐ Minor ☒ Moderate ☐ Significant ☐ Critical ☐

4. LINKS TO POLICY AND CORPORATE OBJECTIVES

DOES THE SAVINGS PROPOSAL LINK TO ANY OF THE FOLLOWING?

If so, please specify and state what the implication may be.

POLICY AREA:

CORPORATE PLAN and WELL-BEING OBJECTIVES (please state which objectives)

WHAT IS THE LINK?

Each of the destinations has a positive effect on visitors' health and wellbeing.

WHAT WILL BE THE IMPACT?

Visitors should not be aware of any significant impact arising as a result of the proposed savings, based on service levels achieved in 2022-23, when significant budget reductions are being achieved.

POLICY AREA:

STATUTORY DUTIES (including the requirement to provide services in Welsh)

WHAT IS THE LINK?

There are no links to statutory duties.

WHAT WILL BE THE IMPACT?

POLICY AREA:

WELSH GOVERNMENT GUIDANCE or STRATEGY

WHAT IS THE LINK?

The destinations contribute to the WG priority tourism sector, providing accommodation and other visitor economy assets as part of a local, regional and national offer.

WHAT WILL BE THE IMPACT?

No forecast impact in 2023-24, but any subsequent reductions in budget will have a significant impact.

5. OTHER RISK(S) AND SENSITIVITIES

HAVE ANY OTHER RISKS BEEN IDENTIFIED IN CONNECTION WITH THIS SAVING PROPOSAL?

Yes ☐ No ☒

IF YES, PLEASE SPECIFY BELOW:

PLEASE SPECIFY BELOW ANY OTHER MITIGATION:

Not all risks can be mitigated. Some may need to be tolerated in the context of budget pressures.

No additional risks have been identified.

6. OTHER RELEVANT INFORMATION

PLEASE USE THIS SECTION TO PROVIDE ANY OTHER RELEVANT INFORMATION WHICH YOU FEEL HAS NOT BEEN CAPTURED.

HEAD OF SERVICE: Rhian Kyte

DATE OF COMPLETION: 15th February 2023