

MEDIUM-TERM FINANCIAL PLAN
SAVING PROPOSAL- BUDGET IMPACT ASSESSMENT

DIRECTORATE:	Economy & Environment
SERVICE AREA:	Regeneration & Planning – Visitor Economy & Destinations

1. GENERAL INFORMATION

SAVING PROPOSAL TITLE:	Close Coffi Vista and Lease Building to Private Sector (Possible Additional Income With The Lease). Staff Transfer to Alternative Buildings
BUDGET AREA:	Visitor Economy & Destinations
TOTAL BUDGET FOR THIS AREA:	£78,044
TOTAL SAVING:	£78,044

PLEASE PROVIDE A BRIEF DESCRIPTION OF HOW THE SAVING CAN BE ACHIEVED:	
<p>The proposal is to close the building and to cease the coffee shop operations. The building will then be marketed as an opportunity for the private sector. Allowing the operation to transfer to the private sector would reduce the subsidy burden and would bolster income through any rental agreed with a private operator.</p> <p>The above figures represent a reduction in the current subsidy from £78,000 in 2023-24 to zero in the years ahead (although some revenue will still be required as the Council will probably not be able to close the operation until some weeks into the 2024-25 financial year). The figure of £78,000 is based on a budget forecast at the start of the year for an income of £257,000 and an expenditure of £335,000. As of Period 7, the income forecast has risen but the expenditure has increased by a greater amount, giving a new year end forecast of c.£20,000 over the subsidy amount.</p> <p>The budget saving of £78,000 will be supplemented by any additional income received from the letting of the building, estimated above to be c.£21,000 p.a.</p> <p>The toilet block should be closed off to public access, in light of the imminent introduction of toilet facilities at Ffos Caerffili. The proposal is to close the toilet block as this is assumed to be a more viable option for an incoming tenant.</p>	

2. PUBLIC IMPACT ANALYSIS

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE **IMPACT UPON THE PUBLIC** (where possible):

Consider the 5 ways of working think about the *long-term* implications for future generations and *preventative services* while recognising that savings now will secure future services. **NB* IT IS IMPORTANT TO RECOGNISE THE SIGNIFICANT FINANCIAL CHALLENGE FACING THE COUNCIL.**

Long-term guidance: Consider the importance of balancing short-term needs with the need to safeguard the ability to meet long-term needs, including the future financial sustainability of the Council.

This proposal will achieve a significant saving as set out above. The saving will be sustained in the years ahead – even without the letting income, the subsidy reduction of £78,044 should be achieved, perhaps subject to a minor maintenance budget allocation to cover the fabric of the building and the exterior public space. Letting the space to an appropriate tenant will contribute directly to the ongoing town centre development as identified in the Caerphilly Town 2035.

Prevention guidance: Consider whether the proposed saving is affecting a preventative area that reduces future burdens and supports well-being and how this can be mitigated if the service reduces, or ceases.

There will be minimal or no impact on support for well-being of local people as there are abundant hospitality resources in the town centre along with more planned as part of the Ffos Caerffili development, which will be run as a public market and will be open to all visitors, whether or not they are customers of Ffos Caerffili.

Ffos Caerffili will also be providing public toilets to supplement the provision of facilities available in the Library. The new toilets will be fully accessible and will be open for the same hours as those in the Coffi Vista building, perhaps even for extended hours. The new facilities will be Council-owned, but run by a private market operator.

The existing ground floor tenant (Y Galeri) may be affected if the new tenant requires both floors for their requirements. Council staff will work with the owner of that business to relocate them if necessary.

STATUTORY ASSESSMENTS

<p>DOES THE PROPOSAL HAVE THE POTENTIAL TO IMPACT MORE GREATLY ON PEOPLE WITH PROTECTED CHARACTERISTICS? (Please tick) (Reminder- AGE, DISABILITY, GENDER REASSIGNMENT, MARRIAGE or CIVIL PARTNERSHIP, PREGNANCY AND MATERNITY, RACE, RELIGION or BELIEF, SEX, SEXUAL ORIENTATION)</p>		<p>No - closure of the facility will impact equally on all visitors although it is anticipated that the impact will be minimal.</p>
<p>DOES THE PROPOSAL IMPACT ON PEOPLE WHO FACE SOCIO-ECONOMIC DISADVANTAGE? (Please tick) (Reminder- LOW INCOME/INCOME POVERTY, LOW WEALTH/OR NO WEALTH, MATERIAL DEPRIVATION, AREA DEPRIVATION, SOCIO-ECONOMIC BACKGROUND, and CUMULATIVE IMPACT OF THEM)</p>		<p>No - closure will not have a specific detrimental effect on anyone facing socio-economic disadvantage.</p>

<p>DOES THE PROPOSAL HAVE AN IMPACT ON THE WELSH LANGUAGE? (Please tick) (Reminder- OPPORTUNITIES TO USE THE LANGUAGE, PROMOTE THE LANGUAGE and/or TREATING THE WELSH LANGUAGE LESS FAVOURABLY THAN THE ENGLISH LANGUAGE)</p>	<p>No – as the purpose of the service changed from a tourist information centre to a coffee shop, the positive impact on the Welsh language has become much reduced. If the tenant in the downstairs unit has to close then there will be an impact on the Welsh language as this is currently a bi-lingual service, but we are not certain of outcomes in this respect at the moment. The marketing of the space will determine whether or not the new tenant will require the downstairs space</p>
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NB * If you answered ‘yes’ to the any of the above, please complete an Integrated Impact Assessment (IIA). For further advice and guidance please see the [Integrated Impact Assessment](#) page on the Intranet. This Budget Impact Assessment, or an IIA, if relevant, must be submitted to be included as hyperlinks to all decision reports related to the proposed savings. **IAs are NOT required for nil public impact proposals.**

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

Consider the 5 ways of working, in particular, *involvement*.

Involvement: Consider whether you have involved people who have an interest in the service area, including service users and potential service users.

Consultation will commence with staff in January 2024 as part of the Budget consultation. There will be no other consultation with service users prior to the final decision on this proposal.

Although planned, no customer surveys have been carried out to date, which could have been used to inform this element of the report. It is noted that closure would have the potential for a negative impact on customers with dogs and that the town centre would lose a popular hospitality location, but there are several other such venues in the town offering a friendly welcome and it must be recognised that this is not an exclusive service run by the Council.

IS FURTHER CONSULTATION REQUIRED BEFORE THIS PROPOSAL CAN BE IMPLEMENTED?		No
NB* Please seek guidance from the Insights and Intelligence Team , who can advise on whether a formal consultation is required and adherence to the Gunning Principles.		

TAKING ACCOUNT OF THE ABOVE, THE IMPACT RATING DEFINITIONS, AND THE MITIGATION YOU ARE PLANNING, PLEASE INDICATE THE PUBLIC IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):				
NIL IMPACT	MINOR IMPACT	MODERATE IMPACT	SIGNIFICANT IMPACT	CRITICAL IMPACT
		X		

3. ORGANISATIONAL IMPACT ANALYSIS

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE IMPACT UPON THE ORGANISATION (where possible) :
e.g. gradual reduction in service, alternative delivery models, managing demand, more efficient use of assets, income generation, transferrable skills of staff, commercialisation of the service etc.
In addition, consider the 5 ways of working, in particular, acting in <i>collaboration</i> with other service areas or partners.
Collaboration guidance: Acting in collaboration with any other service or partner to meet objectives where they may be able to deliver a broadly equivalent service.
Negative publicity will be mitigated by honest and timely communications with the public, using all appropriate media, but it is acknowledged that the service provided is that of a coffee shop and new toilets will be provided elsewhere. Given the level of public comments experienced, the Council is encouraging the public to have their say via the budget consultation process.

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE IMPACT UPON MEMBERS OF STAFF:
Consultation with all affected staff and their representatives will commence early in January and continue throughout the period up to the final decision being made at the end of February 2024.
Every effort will be made to redeploy all staff currently working in Coffi Vista. Opportunities are known to exist for officers with the skills in question within the other service area destinations, in Social Services Care facilities and in local schools.

NUMBER OF FULL-TIME EQUIVALENT (FTE) STAFF IN THE PROJECT:	6.4 FTE + Casual budget of £22,000 to pay for 8 zero hours officers.
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NUMBER OF POSTS IN THE PROJECT: (Reminder- PLEASE ENSURE YOU HAVE SOUGHT THE ADVICE OF PEOPLE SERVICES IN HOW TO MANAGE ANY STAFFING CHANGES)	9 plus eight casual workers
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PLEASE SPECIFY HOW THIS WILL BE MANAGED:	HOW MANY POSTS?
POST(S) ALREADY VACANT:	

VOLUNTARY SEVERANCE:	
RETIREMENT:	
REDEPLOYMENT:	The stated aim is to redeploy all affected staff into existing and emerging vacancies.
REDUNDANCY:	

PLEASE PROVIDE DETAILS OF WHEN THIS WILL BE IMPLEMENTED:	Redeployment can commence as soon as the decision is ratified in 2024.
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WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER DIRECTORATE, SERVICE AREA OR TEAM WITHIN THE COUNCIL? (please tick)	Yes – Cleansing staff	
WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER PUBLIC SECTOR PARTNER, OR VOLUNTARY SECTOR PARTNER? (please tick)		No

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

PLEASE DESCRIBE HOW THE SAVING CAN BE ACHIEVED IN A WAY THAT WILL MITIGATE THE IMPACT ON OTHER SERVICE AREAS OR PARTNERS (**where possible**)

Integration guidance: Consider how the proposal will impact on other service areas, or partners, and their ability to meet their objectives, recognising that the savings requirement on the Council may override some concerns.

Closure of the building will remove the need for Cleansing Services to work there. This currently provides employment for two officers on a part time basis (1.5 hours per day). This impact is additional to the above figures, but it is anticipated that they will be reallocated appropriate work in other parts of the Authority. As a result, consultation will not include them as they can focus on other duties given to them by the Cleansing Team Leader.

TAKING ACCOUNT OF THE ABOVE, THE IMPACT RATING DEFINITIONS, AND THE MITIGATION YOU ARE PLANNING, PLEASE INDICATE THE ORGANISATIONAL IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):				
NIL IMPACT	MINOR IMPACT	MODERATE IMPACT	SIGNIFICANT IMPACT	CRITICAL IMPACT
		X		

4. LINKS TO POLICY AND CORPORATE OBJECTIVES

DOES THE SAVINGS PROPOSAL LINK TO ANY OF THE FOLLOWING?

POLICY AREA	WHAT IS THE LINK?
CORPORATE PLAN and WELL-BEING	WBO2 – Enabling our residents to thrive – responding to our ageing demographic including creating age friendly communities. However, closing

OBJECTIVES (please state which objectives)	<p>toilet facilities and given that general day to day users include older people and community groups, the impact may be more significant on them, but it is important to note that they will be able to access toilets in the library and in Ffos Caerffili</p> <p>WBO3 – Enabling our communities to thrive – Outcome - Our physical infrastructure and digital connectivity will have improved to help people access towns, communities and services. Again, the mitigation is that there are other similar hospitality venues and toilet provision in the town.</p> <p>WBO4 – Enabling our economy to grow – Outcome - We will have worked in partnership to support businesses with a range of interventions aimed at stimulating the local economy. We will have a stronger relationship with our Business Community through town centre regeneration. It will have an impact as any commercial closure will, but our focus remains on developing Caerphilly town centre and our aim is to re-open in due course with a complementary private sector organisation contributing to the aims and objectives set out in the Caerphilly 2035 Masterplan.</p>
STATUTORY DUTIES	No
WELSH GOVERNMENT GUIDANCE or STRATEGY	No

5. OTHER RISK(S) AND SENSITIVITIES

HAVE ANY <u>OTHER</u> RISKS/SENSITIVITIES BEEN IDENTIFIED IN CONNECTION WITH THIS SAVING PROPOSAL?	No
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PLEASE DESCRIBE ANY RELEVANT INFORMATION (Risks and Sensitivities) WHICH YOU FEEL HAS NOT BEEN CAPTURED.
<p>The closure of the existing operation will reduce the financial risk to the Council as future operational issues will become the sole responsibility of the occupier. As mentioned above, even if no tenant is identified, the positive impact on the budget will be sustained.</p> <p>Other risks considered are:</p> <ul style="list-style-type: none"> • Empty and/or vacant buildings can lead to vandalism and squatters • The perception of poverty and a flagship building standing empty does not look good for new businesses considering the area and has a depressive quality • The need to identify potential new tenants at the earliest opportunity in this prominent location. <p>We are working towards keeping the time the building is empty to a minimum and the Council's Town Centre Management team will keep an eye on the building. Some soft market testing has been undertaken to ascertain the value and likely interest, which has come back with positive results indicating that there will be interest. The value of rental income will be ascertained via a full</p>

appraisal of the premises as and when the final decision on the report is confirmed. For now it is estimated to be £15,000 at least for the upper floor.

HEAD OF SERVICE: Rhian Kyte

DATE OF COMPLETION: 19/12/2023

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