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**Date: 19th September 2024**

To Whom It May Concern,

A multi-locational special meeting of the **Cabinet** will be held in Penallta House, and via Microsoft Teams on **Wednesday, 25th September, 2024 at 1.30 pm** to consider the matters contained in the following agenda. You are welcome to use Welsh at the meeting, a minimum notice period of 3 working days is required should you wish to do so. A simultaneous translation will be provided on request.

Members of the public or Press may attend in person at Penallta House or may view the meeting live via the following link: <https://civico.net/caerphilly>

This meeting will be live-streamed and a recording made available to view via the Council's website, except for discussions involving confidential or exempt items. Therefore, the images/audio of those individuals present and/or speaking will be publicly available to all via the recording on the Council website at [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Chrissy'.

**Christina Harrhy**  
CHIEF EXECUTIVE

## AGENDA

Pages

- 1 To receive apologies for absence.

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2 Declarations of Interest.

Councillors and Officers are reminded of their personal responsibility to declare any personal and/or prejudicial interest(s) in respect of any item of business on the agenda in accordance with the Local Government Act 2000, the Council's Constitution and the Code of Conduct for both Councillors and Officers.

To receive and consider the following reports on which executive decisions are required: -

- 3 Mobilising Team Caerphilly - Future Provision Of Meals Direct And The Hive Café, Ty Penallta. 1 - 48
- 4 Mobilising Team Caerphilly - Future Provision Of Llancaiach Fawr Manor. 49 - 98

**Circulation:**

Councillors C. Andrews, S. Cook, E. Forehead, N. George, P. Leonard, S. Morgan, C. Morgan, J. Pritchard and E. Stenner

And Appropriate Officers

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## SPECIAL CABINET – 25TH SEPTEMBER 2024

**SUBJECT: MOBILISING TEAM CAERPHILLY – FUTURE PROVISION OF MEALS DIRECT AND THE HIVE CAFÉ, TY PENALLTA**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

### 1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to update Members on the outcome of the Mobilising Team Caerphilly (MTC) consultation on the future provision of Meals Direct and the catering offer at Ty Penallta, known as the Hive Café, and to present a business case and set of recommendations for consideration.
- 1.2 This report was discussed at Joint Scrutiny on 24 September 2024 and officers will provide a verbal update on the discussion at scrutiny during the Cabinet meeting.

### 2. SUMMARY

- 2.1 There is currently significant pressure on public finances across the UK. Central Government, Local Government, Health and other sectors are all facing challenges where the costs of delivering services have accelerated far beyond the level of funding available to the sector.
- 2.2 The impact of these challenges upon Caerphilly County Borough Council have seen the Council facing the need to make £65m of savings during the period 2024/25 through to 2026/27 essentially just to stand still. Having identified a range of permanent savings as part of the 2024/25 budget setting process totalling circa £20m, the remaining balance of £45m must be found over the next two years.
- 2.3 In July 20223, the Council launched its Transformation Portfolio known as Mobilising Team Caerphilly. The Portfolio consists of two component programmes: Service Transformation and Place Shaping. The Service

Transformation Programme is primarily charged with delivering the necessary change across the Council to meet the £45m savings requirement.

- 2.4 Service Transformation includes several workstreams with a key focus on, Customer Journey, Collaboration and Partnerships, People and Ways of Working and Unavoidable Change. There are currently 15 projects 'in flight' which are focused on contributing towards the financial target and transforming service.
- 2.5 Each Project is being developed using Agile Programme Management methods while, the Portfolio as a whole, is supported by a Portfolio Management Office (PMO). The PMO is responsible for developing and ensuring adherence to agreed governance arrangements and decision making, as well as driving and tracking benefits realisation.
- 2.6 Portfolio governance arrangements are built upon the Welsh Government endorsed HM Treasury Green Book business case guidance and five case model (cases for Strategic, Economic, Commercial, Financial and Management). On this basis, each of the 15 projects will be underpinned by a business case that covers these aspects.
- 2.7 This report focuses on the Council's provision of Meals Direct and its catering offer at Ty Penallta, known as the Hive Café. The Business Case summary for Catering and Meals Direct (attached at Appendix 1) has been developed over many months through a Project Lead working with a multi-disciplinary project team and with support from a Project Sponsor.
- 2.8 The Strategic Outline Business Case for each Project considers several options for the service under review:
- Do Nothing
  - Stop
  - Reduce service to minimal legally compliant baseline
  - Improve and modernise the service
  - Alternative delivery model
- 2.9 The Strategic Outline Business Case for the Hive Café and Meals Direct were presented to cabinet members at a Policy Development Meeting (PDM) in April 2024. During this discussion, the options set out in 2.8 were explored and discussed before PDM gave an initial direction on the option that the Project Team should develop.
- 2.10 The option selected for Meals Direct, and the Hive Café was as follows:
- STOP** non-statutory services (Meals Direct and Hive Café) whilst continuing to explore all other statutory catering services to improve / modernise.
- 2.11 PDM acknowledged the size and scale of the subsidy that underpinned the

service and that the service was non statutory in nature. The development of an Outline Business Case that focused on stopping the service was considered at that point, the most appropriate option.

- 2.12 An Outline Business Case was subsequently developed that focused on stopping the provision of Meals Direct and the Hive Café. The findings of the Outline Business Case (OBC) for Meals Direct and the Hive Café were presented at a series of PDMs in July 2024.
- 2.13 The OBC, again using the Treasury Five Case model, covered the Strategic, Management, Economic, Financial and Commercial aspects of stopping the service. At PDM, support was received to progress to a public consultation on the cessation of the Hive Café and Meals Direct service.
- 2.14 The consultation would take place over a six-week period and would seek to establish the views of the public, staff and relevant stakeholders on the closure of the service by the end of November 2024.
- 2.15 This report provides Cabinet with a Business Case, Integrated Impact Assessment (IIA) and the outcomes of the consultation as a basis for a decision on the continuation of the service. These aspects are summarised in the main body and attached in full within the appendices.

### **3. RECOMMENDATIONS**

- 3.1 Cabinet members are asked to consider the Business Case, the Consultation Report and the Integrated Impact Assessment (IIA) set out within this report and endorse one of the recommendations set out below:
  - 1) Cease the provision at the Hive Café, Ty Penallta and transition Meals Direct service users to other providers.
  - 2) Cease the provision at the Hive Café, Ty Penallta, but ask officers to develop a range of further options to make the delivery of meals direct sustainable over the long-term.
  - 3) Continue with the existing provision at the Hive Café, Ty Penallta and the existing approach to Meals Direct.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 Caerphilly CBC needs to identify further financial savings in the order of £45million over the next two financial years. It will not be possible to make this level of financial saving without undertaking significant transformation across all parts of the Council.

## **5. THE REPORT**

- 5.1 Public finances across the UK are under significant strain. Central Government, Local Government, Health and other sectors are all facing challenges relating to the costs of delivering services far outweighing the level of funding available to the sector. On this basis, public sector bodies find themselves having to transform their provision, prioritise the delivery of certain services and, in some cases, cease services all together.
- 5.2 Having identified a range of permanent savings as part of the 2024/25 budget setting process totalling circa £20m, the Council now needs to find the remaining balance of £45m over the next two years. This equates to around 10% of the Council's overall net revenue budget. With 78% of the Council's budget spent on Education, Social Services, Waste and Infrastructure, the Council is facing some extremely difficult choices.
- 5.3 The Council's Transformation Portfolio, Mobilising Team Caerphilly, is now becoming embedded as part of the Council's core business. The Service Transformation Programme aspect of the Portfolio is charged with delivering the necessary change across the Council to meet the £45m savings requirement. At present, there are 15 'in flight' projects which are focused on contributing towards the financial target and transforming service. Every aspect of Council business will, at some point, form part of Mobilising Team Caerphilly.
- 5.4 The Projects are being developed through Agile Programme Management principles and, the Portfolio as a whole, is supported by a Portfolio Management Office (PMO). The PMO is responsible for developing and ensuring that Mobilising Team Caerphilly is managed within agreed governance principles and that all benefits can be tracked and realised as a contribution toward the £45m savings requirement.
- 5.5 Mobilising Team Caerphilly's Portfolio governance arrangements are built upon the Welsh Government endorsed HM Treasury Green Book business case guidance and five case model. The five case model covers the Strategic, Economic, Commercial, Financial and Management cases associated with change. Each of the 15 projects referenced in 5.3 are underpinned by a business case that covers these respective cases.
- 5.6 This report focuses on the Council's provision of Meals Direct and its catering offer at Ty Penallta, known as the Hive Café. The Business Case summary for Catering (attached at Appendix 1) has been developed over many months through a multi-disciplinary Project Team, a Project Lead and with support from a Project Sponsor. The Team have developed the project through an initial Strategic Outline Business case on to an Outline Business Case towards the case set out within this report.

5.7 The Strategic Outline Business Case for each Project considers several options for the service under review, typically:

- Do Nothing
- Stop
- Reduce service to minimal legally compliant baseline
- Improve and modernise the service
- Alternative delivery model

### **Strategic Outline Business Case Stage**

5.8 The Strategic Outline Business Case for the Hive and Meals Direct was developed in the early part of 2024 and was presented to cabinet members at a Policy Development Meeting (PDM) in April 2024. During this discussion, the options set out in 5.7 were explored and discussed in some detail. The option that PDM preferred for onward development to an Outline Business Case (OBC) was Stop, specifically as follows:

**STOP** non-statutory services (Meals Direct and Hive Café) whilst continuing to explore all other statutory catering services to improve / modernise.

5.9 PDM acknowledged the size and scale of the subsidy that underpinned the service and that the service was non statutory in nature. Summary detail from the financial case is set out in Table 1, section 8 of this report. The development of an OBC that focused on the option of stopping the service was requested by PDM, albeit on the basis that Meals Direct service users would transition to other providers.

### **Outline Business Case Stage**

5.10 An OBC was subsequently developed by the Project Teams under the stewardship of the Project Sponsor. The OBC focused singularly on stopping the provision of Meals Direct and the Hive. The findings of the Outline Business Case for Meals Direct and the Hive Café were then presented and discussed during a series of PDMs in July 2024.

5.11 The OBC, again using the Treasury Five Case model, covered the Strategic, Management, Economic, Financial and Commercial aspects of stopping the service. The OBC also presented four different time frames for stopping the service, which would form the basis of the consultation.

5.12 The OBC is attached at Appendix 1 with a summary extract set out against the five cases below:

**Strategic Case:** Investment objective to minimise further expenditure on non-statutory Catering services to operate at cost neutral for the Council. This may include ceasing the provision of the Hive Café and transitioning Meals Direct service users to alternative providers and or provision. The strategic benefit is a per annum saving to the Council of £444,094.

**Management Case:** The project forms part of the Mobilising Team Caerphilly portfolio of work. The Portfolio Management Office is responsible for governing the change approvals process. The key project controls are: change management, benefits realisation, risk management, post-implementation and evaluation and contingency and planning arrangements.

**Economic Case:** Up to four Outline Business Case options were reviewed and considered by PDM, all having a different impact on the Net Present Value (or savings that could be realised). These included:

- 1) consult from July 2024 with a view to potential service cessation at the end of October 24
- 2) consult from July 2024 with a view to potential service cessation at the end of November 24
- 3) consult from September 24 with a view to potential service cessation at the end of December 24
- 4) consult as part of annual budget consultation with potential service cessation from the end of March 2025.

**Financial Case:** Considers capital and revenue benefits and dis-benefits. A financial case was created for each of the four options that included associated one-off costs, benefits cost ratio and Net Present Value modelled up to 2030.

**Commercial Case:** No procurement requirement was identified; however, a review of existing commercial agreements has been considered as part of the Outline Business Case.

- 5.13 Following detailed discussion and consideration of the five-case model set out within the OBC and the consultation options set out in 5.12, PDM determined that the favoured option would be option 2, to consult from July 2024 with a view to potential service cessation of the Hive Café and Meals Direct at the end of November 2024. Again, PDM made it clear that Meals Direct service users would be transitioned to other providers by the point the service was ceased.

### **Consultation Stage**

- 5.14 The consultation took place between 30 July 2024 and 10 September 2024. Designed to gain an understanding of the impact of the proposal on key stakeholders, the consultation focussed primarily on Meals Direct customers, their families and council staff. Where individuals identified that the proposal would have a negative impact on themselves or their family, the consultation sought to help understand the reasons for this and to identify any possible mitigation that could be put in place to reduce that impact.
- 5.15 To enable all those who wished to give their views to take part, a survey was made available bilingually and in a variety of formats including paper formats.

The consultation was promoted in a variety of ways and made available across a range of platforms. The primary consultation tool was a



questionnaire, but participants were encouraged to respond in a number of ways. Meals direct users and their families were contacted directly to inform them of the consultation and paper copies of the surveys were sent to each service user and next of kin with a free return envelope. Contact numbers and email addresses were also provided for anyone who needed support in completing the survey or had any general queries or concerns.

- 5.16 Other methods that were used to promote the consultation included:  
A dedicated web page linked directly from the home page of the council's website.

[Link to Web Page](#)

A media release at the launch of the consultation

[Link to Media Release](#)

- Regular social media posts throughout the consultation period.
- Posters displayed in libraries and other public facing council venues promoting a series of public drop-in sessions.
- Targeted e-mails to stakeholder groups.
- As above, potentially affected staff were informed and engaged directly by their management team, Human Resources and supported by Trade Unions.

5.17 **Feedback from consultation process**

Meals Direct:

**703** surveys were completed and received by the closing date. The largest group to respond to the survey were family members of service users and "other" interested people (members of the general public, people who may benefit from Meals Direct in future etc). 106 service users themselves responded to the consultation. The average age of service users who responded to the survey was 82. The average age of family members/all respondents who completed the survey was 62.

Just over half (51%) of respondents had a disability, while among service users this was 89%. Of those with a disability, 93% indicated that this impacted on their day-to-day activity. The figure increases to 98.9% of those who are service users.

Around two thirds of customers receive Meals Direct 5 days a week. A further 12% receive meals 5 days a week and frozen on weekends while 21% receive meals between 1 and 4 days a week. The remaining 1% received frozen meals only.

**Overall, 95% of respondents disagreed with the proposal.**

By far, the overarching theme was the need to protect vulnerable/older people within our community with many expressing the view that this service is vital, and that older people should be entitled to this provision. This is particularly the

case for users who are disabled or have cognitive impairment (memory loss/Dementia) and are unable to cook for themselves.

Other key themes that emerged from respondents include:

- The absence of a like-for-like alternative - a hot meal.
- The additional benefits that the service provides (more than a meal) to service users, such as tackling social isolation, maintaining independence and safeguarding.
- A number felt that the council should use resources more effectively and save money elsewhere.
- Some felt there will be an additional impact on social services / health services if this preventative service is removed and that Meals Direct can aid hospital discharge.
- Many felt that the food provided is of a good quality, nutritionally balanced and offers good value for money food, with alternative providers being more expensive.
- A number indicated that they would be happy to pay more (for a service that offers peace of mind to family members).
- Some felt the proposal would result in job losses, and a small number questioned how they would access provision in the future if the service is removed.
- A smaller number of respondents confirmed they agreed with the proposal, suggesting that affordable alternatives are available, the food currently offered is of poor quality, that they appreciate that financial savings need to be made and that often delivery times of the meals can be inconvenient.

One of the questions sought to understand what impacts the proposal may have on Meals Direct customers and their families. Many felt that removing the service may mean they'd be unable to stay in their homes as they'd be unable to cook for themselves/heat up a meal and so would require a wider care package. Many also felt they would eat a less nutritionally balanced diet if the service ceased in its current form. Social isolation and the impact on cognitive, emotional and physical wellbeing was also highlighted, as Meals Direct is seen by customers as 'much more than just a daily meal'.

A number of customers highlighted that family would not be able to support them daily due to work commitments or distance. Some felt there would be a negative short-term impact but that they would adjust if necessary although many were concerned about potential job losses for staff. A large number felt that alternative providers are too costly, while some felt that the proposal highlighted that older generations are being ignored.

A further question sought to ask how the potential impacts of the proposal could be mitigated for customers and their families. By far, the most widely given response was to keep the service as is. A number of other themes did emerge however including a request to provide a list of alternatives, keep the service but run it differently, make savings in other areas of the council and assess the support needs of current users.

Correspondence was also received on the Meals Direct proposal from a number of other interested parties. The themes highlighted by these is in line with those identified through the consultation, and these, along with all comments received can be found at:

<https://conversation.caerphilly.gov.uk/meals-direct-service>

### The Hive Café at Penallta House

A total of 217 responses were received to the survey. The vast majority of the responses came from staff and the main place of work for 77% of respondents was Penallta House. Of those indicated that they visit the Hive to buy something, 73% visit at least once a week.

**71% of those who responded to the question disagreed with the proposal to close the Hive. 17% agreed and 12% were unsure.**

As expected, those who visit the Hive most regularly were more likely to disagree with the proposal.

The main reasons given for staff disagreeing with the Hive café proposal was the negative impact on staff in terms of wellbeing, social interaction and the potential loss of valued colleagues, as well as a negative financial impact if jobs were lost. Others felt it would remove the provision of a basic need, and that it is well used and of good quality. Some also felt that opportunities to be innovative and increase income through the catering provision are being missed.

Others felt the service is a non-essential one and acknowledged that savings need to be made. Some felt there is less demand on the Hive since the council introduced its agile working policy and it is no longer as well used. Regardless, respondents stated they wouldn't want to see members of the catering service lose their jobs.

All comments received on this proposal can also be found at

[Link to Comments](#)

### **Conclusion**

- 5.18 Public finances across the UK are under significant strain. Central Government, Local Government, Health and other sectors are all facing challenges relating to the costs of delivering services far outweighing the level of funding available to the sector. On this basis, public sector bodies find themselves having to transform their provision, prioritise the delivery of certain services and, in some cases, cease services all together.

## **6. ASSUMPTIONS**

- 6.1 Should Cabinet determine that the Hive Café and Meals Direct should cease at the end of November, it is assumed that Meals Direct users will transition to an alternative provider ahead of the service being removed.

## **7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 Integrated Impact Assessment have been completed for Meals Direct as an external service and, separately for the Hive Café as an internal service.
- 7.2 The initial Integrated Impact Assessment identified that in particular, the decision to cease the delivery of Meals Direct may impact on older people more, given that 84% of service users are over the age of 75. It was also identified that the proposal would have a potential negative impact on people with disabilities. Those who are physically disabled will be less able to access some of the alternative meal provision services due to their curtailed mobility. It is recognised that alternative external providers of meals may not necessarily be able to provide a like for like service. The consultation sought to identify how the impact could be reduced for current service users and their families. The mitigating actions proposed should help with alleviating these impacts.
- 7.3 In relation to The Hive Café, there is the potential for negative impact on the staff working in the service, since the workforce is primarily female, lower paid and older age group, who also may have other caring responsibilities that fit in with the part time nature of the employment.
- 7.4 All staff affected by these proposals will be supported by managers, trade unions and human resources staff. Additional support is available via the Employment Team who can provide access to 1-2-1 and group sessions to employees who need support to find alternative employment and access to training to support with upskilling and alternative career options. We understand that there will be impacts to current service users the mitigating actions proposed should help with alleviating these impacts.

The Integrated Impact Assessment for Meals Direct can be found here:

[Link to IIA](#)

The Integrated Impact Assessment for the Hive can be found here:

[Link to IIA](#)

## **8. FINANCIAL IMPLICATIONS**

- 8.1 The financial case for the Hive Café and Meals Direct was presented to PDM in July 2024 as part of the Outline Business Case. The financial case included a range of options for ceasing the service and transferring the provision for Meals Direct to an alternative provider. The financial case is set out below:

Table 1 – Catering Services Options (Attached at Appendix 3)

OPTION	NPV 2024/25 to 2029/30	Benefits Cost Ratio	MTC Savings Target 2024/25	MTC Saving 2025/26	MTC Saving 2026/27	MTC Saving 2027/28	Total Budget Savings (Excluding one-off costs)	One-off costs
1) consult July 24 – cease service end of Oct 24	(£1,951,191)	24.34	(£29,691)	(£414,403)	£0	£0	(£444,094)	£83,608
2) consult July 24 – cease service end of Nov 24	(£1,912,506)	23.87	£0	(£444,094)	£0	£0	(£444,094)	£92,601
3) consult Sept 24 – cease service end of Dec 24	(£1,847,173)	23.87	£0	(£371,221)	(£72,873)	£0	(£444,094)	£90,353
4) consult as part of budget – cease service end of March 25	(£1,748,306)	22.64	£0	(£261,912)	(£182,182)	£0	(£444,094)	£83,608

8.2 Option 2 of the Financial Case, which was the direction given at PDM, will deliver a full year budget saving of £0.444m from 2025/26. The Net Present Value (NPV) of this option, i.e. the current value of net saving across five years, would be £1.913m.

8.3 There will be one-off costs in relation to redundancy, pension strain and lease termination costs in progressing a service cessation. At the time of modelling pension strain and lease termination costs were not available, redundancy costs were included and were estimated to be £0.093m. Pension strain and lease termination costs have now been estimated and would be an addition £0.196m. One-off costs will need to be firmed up should Cabinet wish to move forward with the proposed cessation.

8.4 One-off costs can be funded through the MTFP Contingency Reserve of £5.266m under delegated powers approved by Council on 24 July 2024.

## 9. PERSONNEL IMPLICATIONS

9.1 The Catering services that include the provision of Meals Direct and the Hive Café are intrinsically linked with staff supporting both operations (as well as use of shared contracts and workspace). There are currently 22 staff working in this part of the service that may be affected.

9.2 Should Cabinet determine that the Hive Café and Meals Direct service should cease at the end of November 2024 or make any other decision regarding the operation of the services, management will work with HR in accordance with relevant HR policies and in consultation with staff and Trade Unions as appropriate.

- 9.3 In this circumstance, there would be a statutory requirement to notify the Insolvency Service, Redundancy Payments Service of a proposal to potentially dismiss 20 or more employees as redundant at one establishment.
- 9.4 Where the continuing employment of staff is placed at risk through these proposals, staff who meet the qualifying criteria (i.e. two years' service) would be supported to enter the Council's redeployment pool. If the staff who enter the pool do not secure alternative employment before the expiration of the redeployment period which includes their statutory notice, a relevant redundancy payment would apply.
- 9.5 Staff who qualify for a redundancy payment, who are also aged 55 or over and paying into the local government pension scheme would also gain immediate access to their pension when their employment with the Council ends.

## **10. CONSULTATIONS**

- 10.1 In addition to the detail highlighted at 5.14-5.17, consultation analysis report is attached at Appendix 2. In addition, a full breakdown of comments received through the consultation can be found at:

[Link to Comments](#)

- 10.2 The report has also been considered by the Council's Joint Scrutiny Committee at its meeting on 24 September 2024. Officers will provide verbal feedback on the views of Joint Scrutiny as part of the Cabinet Meeting that considers this report.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 2000. All relevant legislation has been considered as part of this process and subsequent report.

Author: Richard Edmunds, Corporate Director for Education and Corporate Services

Consultees: Dave Street, Deputy Chief Executive  
Mark S Williams, Corporate Director for Economy and Environment  
Gareth Jenkins, Interim Corporate Director for Social Services  
Jo Williams, Assistant Director Adult Services  
Stephen Harris, Head of Financial Services and S151 Officer  
Leanne Sykes, Deputy Head of Financial Services and S151 Officer  
Sue Richards, Head of Education and Planning Strategy, Programme Director for Place shaping  
Lynne Donovan, Head of People Services

Liz Lucas, Head of Customer and Digital Services, Programme  
Director for Service Transformation  
Stephen Pugh, Head of Communications  
Sarena Ford, PMO Communications Lead  
Lisa Downey, PMO HR Lead  
Hayley Lancaster, PMO Engagement Lead  
Anwen Cullinane, Senior Policy Officer, Equalities and Welsh  
Language  
Lisa Lane Head of Democratic Services and Deputy Monitoring  
Officer  
Allan Dallimore, Regeneration Service Manager  
Leader, Deputy Leader and Cabinet  
Cllr Gary Johnson, Chair of Scrutiny committee  
Cllr Amanda McConnell Vice Chair of Scrutiny committee  
Trade Unions – GMB, UNISON, UNITE

Appendices:

- Appendix 1 Summary of Catering Services Outline Business Case
- Appendix 2 Consultation report
- Appendix 3 Financial case for Catering

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# Catering Review Business Case

Outline Business Case summary  
10 July 2024



# Decision Required



**Agree a consultation/engagement plan and timescales for the proposal to stop the Meals Direct Service and to close the Hive Café at Ty Penallta.**

**Agree to stop any new application for non-subsidised service users as of immediate effect.**

What we achieved during the discovery stage:

- The discovery phase identified several options in relation to Catering Services to consider. The steer was to focus on the non-statutory elements of catering which includes Meals Direct and the Hive Café with a view to cease both provisions.

What we plan to deliver as part of the define stage:

- To agree a consultation engagement plan for the proposal to stop the Meals Direct Service, providing a sufficient notice period (directed by social services to conduct thorough assessments) and to support and signpost service users to alternative meal delivery providers available within the Borough.
- To agree a consultation engagement plan for the proposal to close the Hive Café at Ty Penallta.

# Strategic Case



# Investment Objectives



	Investment Objectives	Strategic Benefits
1	Prevent further expenditure on non-statutory Catering service to operate at cost neutral for the council.	<ul style="list-style-type: none"> <li>£444k saving per annum</li> </ul>
2	Social Services – Older People Teams. Following consultation, if the decision is to stop the Meals Direct service , Social Services to undertake a review of all the service users that are open cases and currently have a care plan to ensure vulnerable service users have the appropriate package of care and signposted to other meal delivery services within the Borough to meet care needs.	<ul style="list-style-type: none"> <li>Ensuring the residents of Caerphilly that currently access the Meals Direct service and have a package of care, continue to have their needs met by an alternative meal delivery service and are not left vulnerable by the removal.</li> </ul>
3	Caerphilly Cares. Following consultation, if the decision is to stop the Meals Direct service , Caerphilly Cares will contact and signpost all the service users that are closed cases to Social Services to ensure they have the necessary support to access an alternative meal delivery services within the Borough.	<ul style="list-style-type: none"> <li>Ensuring the residents of Caerphilly that currently access the Meals Direct service are signposted to an alternative meal delivery service and are not left vulnerable by the removal.</li> </ul>

# Existing Arrangements and Business Needs



## Meals Direct

Operates with a 2-tier pricing system

£3.70 – Subsidised

£6.10 – Full Price

Currently access to the subsidy is not means tested and is based on assessment by social services

- As at the end of June 2024 there are **304** Service Users using the Meals Direct Service.
  - 227 have 5 days delivery
  - 77 have between 1-4 days delivery
  - 138 are open cases to Social Services
  - 131 are closed cases to Social Services
  - 35 are not known to Social Services
  - 228 are subsidised
- The service operates across the Borough. A mapping exercise has confirmed that it is evenly distributed throughout.
- Out of the other 21 LA's in Wales, 13 do not have a Meals Direct service and 8 have Meals Direct or something similar.

**Meals Direct** is a non-statutory service, to cease this service, support and information will need to be provided to signpost service users to alternative meal delivery providers available within the Borough.

- To undertake this successfully there will need to be a review of all service users open to social services to identify how the need will be met and to support and signpost all closed cases to alternative providers within the borough.



# Existing Arrangements and Business Needs



## The Hive Café

Provides food and drink for staff at Ty Penallta and adjacent buildings at a subsidised cost.

To close the **Hive Café** at Ty Penallta.

- To undertake this successfully all staff that use the service will need to be consulted and signposted to alternative provision.

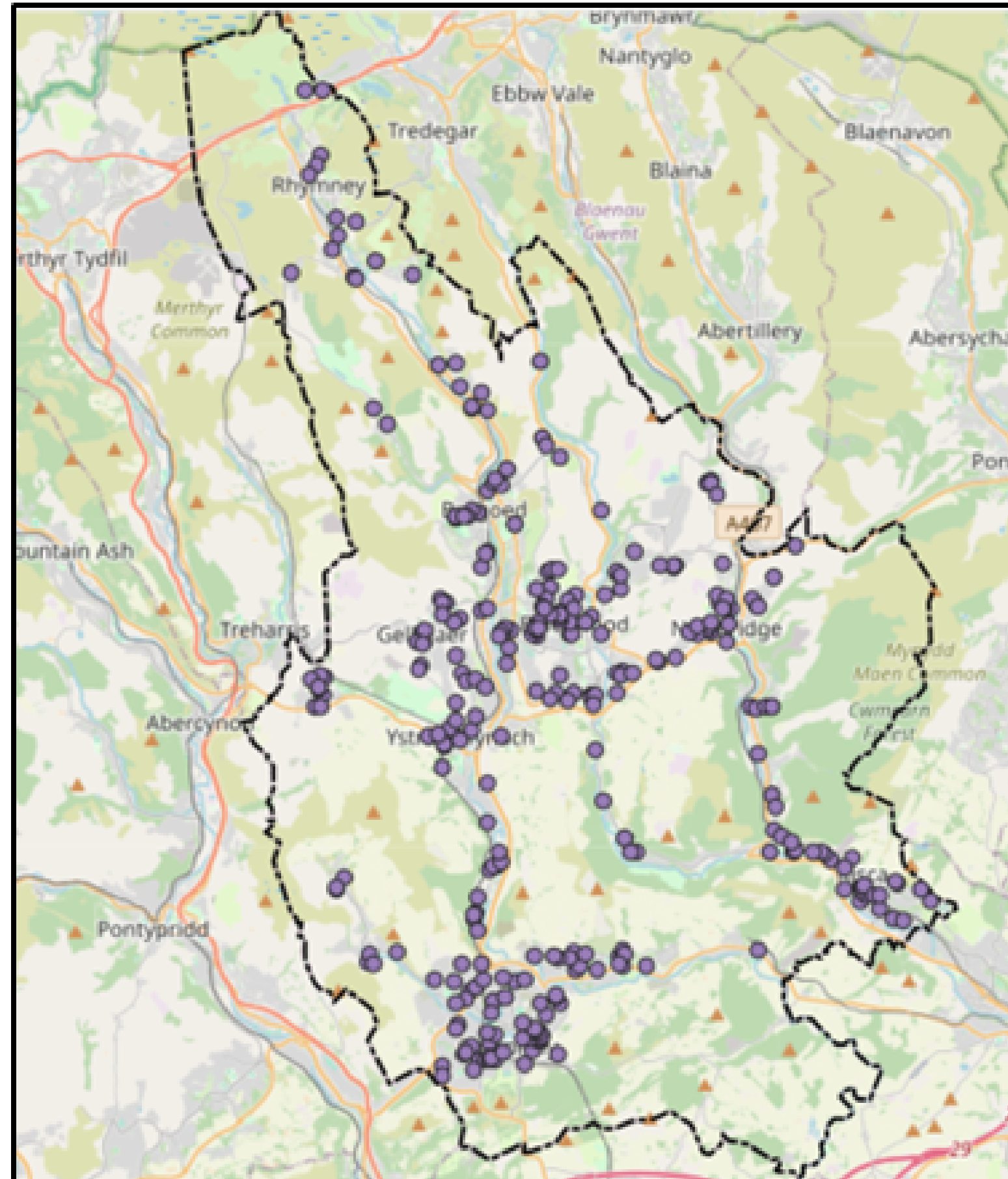
Both services have a combined staffing of approx. 22 members of staff. All staff affected will be supported through HR Services, Line Management and TU.

The services are intrinsically linked with staff supporting both operations (as well as use of shared contracts and workspace).

# Existing Arrangements and Business Needs



Location within the Borough  
of current service users  
of the Meals Direct Service



# Scope and Service Requirements



<b>Business Scope</b>  Meals Direct (Non-statutory) The Hive Restaurant (Non-statutory)		<b>Out of Scope</b>  Schools catering (Statutory) Residential catering (Statutory)	
<b>Service Requirements</b>			
<b>Core</b>		<b>Desirable</b>	
Agree a consultation/engagement plan and timescales for the proposal to stop the Meals Direct Service and to close the Hive restaurant at Ty Penallta.  Agree to stop any new application for non-subsidised service users as of immediate effect.		Social Services to review service users that are currently receiving meals direct that are open cases to them and have a care plan continue to have their needs met if the service is stopped.  Caerphilly Cares to support and signpost the service users that are currently receiving meals direct and are close cases to Social Services to ensure they can access alternative meals delivery within the Borough.	
		<b>Optional</b>	
		To look at alternative delivery models now or in the future for the Hive Café and Meals Direct, however this must be cost neutral to the Authority.	



# Key Risks, Constraints and Dependencies



Risks	Constraints	Dependencies
<p><b>Timing</b></p> <ul style="list-style-type: none"> <li>• Staff</li> <li>• Consultation</li> <li>• Commitment to Year 1 savings</li> </ul> <p><b>Service Users</b></p> <ul style="list-style-type: none"> <li>• Left vulnerable to meet care needs.</li> <li>• Increased cost of alternative meal provision.</li> <li>• Increasing isolation.</li> <li>• No alternative providers for specific locations.</li> <li>• Ty Penallta staff left with no provision for food and drink.</li> </ul> <p><b>Authority</b></p> <ul style="list-style-type: none"> <li>• Increasing the demand for social care services.</li> <li>• Reputational damage – ceasing a service for vulnerable residents.</li> <li>• Customer base is growing.</li> <li>• Going live on a number of consultations at the same time is a reputational risk.</li> <li>• Should the service continue, spiralling costs due to inflation – working in context of constantly rising food costs and limited ability to prevent this within contracts.</li> <li>• Subsidy - this assessment process is not robust and presents a risk as it opens the Authority to significant challenge regarding inequity of service should the provision continue.</li> </ul> <p><b>Staff</b></p> <ul style="list-style-type: none"> <li>• Potential job loses</li> <li>• Staff morale - potential increase in staff sickness, making it difficult for service delivery following consultation period.</li> <li>• Mis-communication or timing of consultation of proposal.</li> </ul>	<ul style="list-style-type: none"> <li>• Agreement and planned Communication/Engagement plan.</li> <li>• Accuracy of financial data.</li> <li>• Factoring in the de-commissioning of equipment</li> <li>• Vehicle lease agreements and cost to end contract.</li> <li>• Staff costs in relation to redundancies</li> <li>• Meals Direct and The Hive are interdependent.</li> <li>• HR support to all staff affected.</li> <li>• Any other provisions considered must be cost neutral – inc. contract management</li> <li>• Meals Direct service is still live and therefore demand may increase/decrease with service users.</li> </ul>	<ul style="list-style-type: none"> <li>• Social Services - Review of all service users that are open cases</li> <li>• Caerphilly cares - Support for all services users that are closed cases to social services.</li> <li>• Family - support to service user</li> <li>• Meal providers within the Borough – to meet the need.</li> <li>• Support from internal services – Communications / Engagement / HR / Finance – to provide accurate information to inform decision to go to next stage.</li> </ul>

# Economic Case

Annual combined cost to CCBC of **£444,094** (based on forecasted budget for 2024/25) – which has considered estimates for increases in staffing, food costs and transport.

## Outline Business Case – Options considered

1. Consult July 24 – with a view to service cessation and removal of subsidy at the end of October 24
2. Consult July 24 - with a view to service cessation and removal of subsidy at the end of November 24
3. Consult Sept 24 - with a view to service cessation and removal of subsidy at the end of December 24
4. Consult as part of annual Budget with a view to service cessation and removal of subsidy at the end of March 25

# Commercial Case

# ● Procurement Strategy and Required Services



- No procurement requirement identified; however, a review of existing commercial arrangements has been included as part of the Outline Business Case review.

# Finance Case

# Summary of Financial Appraisal



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Option	NPV 2024/25 to 2029/30	Benefits: Cost ratio	MTC Savings Target 2024/25	MTC Saving 2025 /26	MTC Saving 2026/ 27	MTC Saving 2027 /28	Total Budget Savings (Excluding One off Costs)	One off costs
1. Consult July 24 - service cessation and removal of subsidy at the end of October 24	(£1,951,191)	24.34	(£29,691)	(£414,403)	£0	£0	(£444,094)	£83,608
2. Consult July 24 - service cessation and removal of subsidy at the end of November 24	(£1,912,506)	23.87	£0	(£444,094)	£0	£0	(£444,094)	£92,601
3. Consult Sept 24 - service cessation and removal of subsidy at the end of December 24	(£1,847,173)	23.87	£0	(£371,221)	(£72,873)	£0	(£444,094)	£90,353
4. Consult as part of Budget - service cessation and removal of subsidy at the end of March 25	(£1,748,306)	22.64	£0	(£261,912)	(£182,182)	£0	(£444,094)	£83,608

# Management Case



# Governance Arrangements

Change approvals process managed by the Portfolio Management Office



Name and Role	Responsibilities
Sue Richards Project Sponsor	<ul style="list-style-type: none"> <li>Champions the change and maintains awareness at senior level</li> <li>Ensuring return on investment and Value for Money</li> <li>Owns the Business Case - sole accountability</li> <li>Accountable for the delivery of planned benefits</li> <li>Lead change management required to deliver successful outcomes</li> <li>Delegates responsibility to Service Manager where applicable</li> </ul>
Tim Daley MTC Programme Manager	<ul style="list-style-type: none"> <li>Leads and manages stakeholder engagement</li> <li>Manages expectations and providing regular updates on the progress</li> <li>Oversees the execution of the workstream plan ensuring delivery is on time, within budget, and to the required quality standards</li> </ul>
Jo Williams / Marcia Lewis Service Manager	<ul style="list-style-type: none"> <li>Provides leadership and direction on all aspects of the service development and held accountable to SRO</li> <li>Oversee service redesign and subsequent operational delivery</li> <li>Monitors and reports on progress and be empowered to deliver on all aspects</li> </ul>
Hayley Bowen Project Lead	<ul style="list-style-type: none"> <li>Co-ordinates workstream – responsible for delivery and progress whilst managing and escalating associated impacts and risks</li> </ul>
Denise Davies Social Services Lead	<ul style="list-style-type: none"> <li>Lead contact for Social Services information</li> </ul>
Paula Beaman Finance Lead	<ul style="list-style-type: none"> <li>Responsible for tracking financial and other benefits relating to the project</li> </ul>
Lisa Downey HR Lead	<ul style="list-style-type: none"> <li>Lead contact for any staffing changes/reductions</li> </ul>
Hayley Lancaster / Sarena Ford Engagement/Communication Leads	<ul style="list-style-type: none"> <li>Lead contact for communication, engagement and consultation for the project</li> </ul>
Hayley Clarke Procurement Lead	<ul style="list-style-type: none"> <li>Lead contact for procurement</li> </ul>

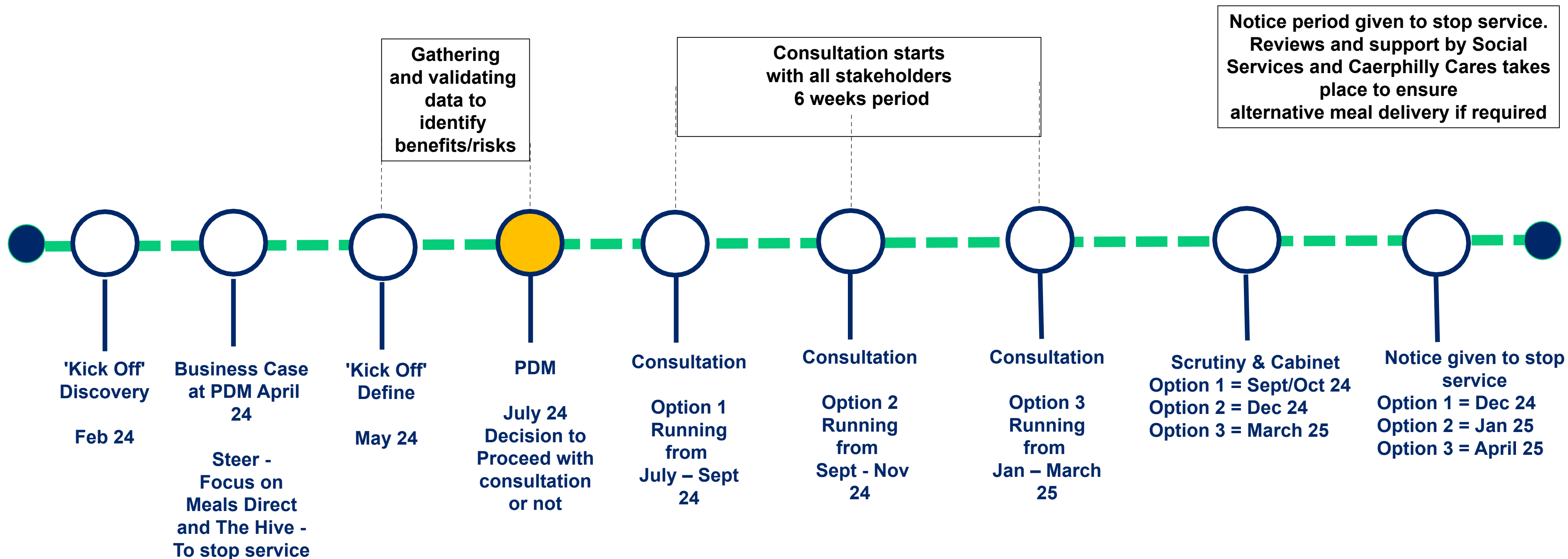
# Project Roadmap



Feb 24

April 25

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# Project Controls



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- Change management arrangements - Lead by the PMO and Service transformation
- Benefits realisation arrangements - Lead by the PMO and Finance
- Risk management arrangements - Lead by the PMO as the escalation route but defined by project lead and sponsor
- Post-implementation and evaluation arrangements - Lead by PMO and Finance
- Contingency arrangements and plans - Monitored by the PMO with input from project lead, sponsor and service area

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## Caerphilly County Borough Council

# Consultation Report on the proposal to cease the Meals Direct service and close its staff catering facilities at Penallta House

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## **Background**

In July 2024, Caerphilly County Borough Council's Cabinet agreed to consult on a proposal to cease delivering its home meals service from the end of November 2024. The proposal would also see the authority close its staff catering facilities within its offices at Penallta House (The Hive Cafe).

The service currently employs 22 members of staff and currently the cost to the council of delivering the service each year is around £444,000 (£109,000 is for the catering operation at Penallta House and around £334,000 is the current cost to the council annually of providing the Meals Direct Service).

Service users who have care plans and are open to Social Services would be reviewed and would then be supported by social work teams to access other provision (external to the Local Authority), if required. All other service users will be supported to find alternative solutions/providers (external to the Local Authority), with support from the Caerphilly Cares Team if required.

Meals Direct Service is a non-statutory service that provides hot and cold meals Monday to Friday between 11.00am and 2pm direct to resident's home or luncheon clubs within the Borough. Frozen meals are available for weekends. Anyone can use the unsubsidised service at a cost of £6.10/day. Alternatively, if they are eligible there is a subsidised service that costs are £3.70 / day. This service is not means tested.

Currently we provide this service to 304 residents of the Borough. (As at the end of June 2024)

The proposal is being considered in line with the Mobilising Team Caerphilly transformation programme which recognises that the council must deliver savings in the region of £45million over the next two financial years. This is on top of the £20million of permanent savings that have already been identified.

## **Purpose**

The consultation was designed to gain an understanding of the impact of the proposal on key stakeholders including Meals Direct Service customers, their families and staff. Where individuals identify that the proposal will have a negative impact on themselves or their family, the consultation will help the council understand the reasons for this and to identify mitigation that could be put in place to reduce that impact.

An initial Integrated Impact Assessment identified that in particular, the decision to cease the delivery of Meals Direct may impact on older people more, given that 84% of service users are over the age of 75. It was also identified that the proposal will have a potential negative impact on people with disabilities. Those who are physically disabled will be less able to access some of the alternative meal provision services due to their curtailed mobility. It is recognised that alternative external providers of meals may not necessarily be able to provide a like for like service. To this end, the consultation sought to identify how the impact could be reduced for current service users and their families.

The Integrated Impact Assessment for Meals Direct can be found here:

<https://www.caerphilly.gov.uk/caerphillydocs/ia/iia-meals-direct>

The Integrated Impact Assessment for the Hive can be found here:

<https://www.caerphilly.gov.uk/caerphillydocs/ia/iia-the-hive>

## **Methodology (What we did)**

The consultation period for Meals Direct and The Hive ran from **Tuesday 30<sup>th</sup> July to Tuesday 10<sup>th</sup> September 2024** and was widely promoted.

## The Hive

Whilst residents were informed of the proposal to close the staff catering facilities at the Hive in Penallta House, the consultation was focussed internally as the decision will only impact staff and those who have access to staff catering facilities at Penallta House.

A survey was made available bilingually online and paper copies were also available in the Hive. A survey collection box was placed in the Hive for the duration of the consultation for completed paper copies to be returned.

To promote the consultation further, and allow staff we have their say, the following methods were also used:

- An email was sent by the communications team to all staff informing them of the consultation and providing online links to the survey.
- 4 face to face staff drop-in sessions were held in the Hive at Ty Penallta during different times of the day.
- Alongside this, potentially affected staff were informed and engaged directly by their management team, Human Resources and supported by Trade Unions

## Meals Direct

To enable all those who wished to give their views to take part, a survey was made available bilingually and in a variety of formats including paper formats.

The consultation was promoted in a variety of ways and made available across a range of platforms. The primary consultation tool was a questionnaire but participants were encouraged to respond in a number of ways. Meals direct users and their families were contacted directly to inform them of the consultation and paper copies of the surveys were sent to each service user and next of kin with a free returns letter. A contact number and email address was also provided for anyone who needed support in completing the survey or had any general queries or concerns.

Other methods that were used to promote the consultation included:

- A dedicated web page linked directly from the home page of the Council's website <https://conversation.caerphilly.gov.uk/meals-direct-service>
- A media release at the launch of the consultation <https://www.caerphilly.gov.uk/news/news-bulletin/july-2024/leader-warns-of-difficult-decisions-ahead>
- Regular social media posts throughout the duration of the consultation period
- Posters displayed in libraries and other public facing Council venues.
- Targeted e-mails to stakeholder groups across the borough
- Internal email to staff sent by communications team.
- As above, potentially affected staff were informed and engaged directly by their management team, human resources and supported by Trade Unions.

## Survey

A survey was made available online throughout the duration of the consultation. The survey could be completed online or printed for completion. Hard copies of the survey were also available from all council libraries and were made available at all drop-in sessions held in the community.

The survey focussed on identifying the potential impact of this proposal on stakeholders as outlined above.

A copy of the survey can be found here:

<https://conversation.caerphilly.gov.uk/34540/widgets/101191/documents/65674>

## Face to face engagement

4 Face to face staff drop-in sessions were held in Penallta House over the duration of the consultation. This enabled staff to drop in and have their say on both the Hive and Meals Direct consultations.



For Meals Direct, a different, more targeted approach was taken as many service users are disabled and housebound. Therefore, we spoke to service users directly over the phone and send direct letters of correspondence.

## **Residents and the wider audience**

- Council's website with a link directly to the consultation documentation and an online survey. A paper version of the survey was also available for printing from the Website or on request in a variety of formats
- details of the consultation were shared via the Council's Twitter feed and Facebook page. A media release was prepared and also shared on the Council's Website.
- A number of residents also raised Meals Direct at the public drop-in sessions held at 4 venues across the borough.

## **Results/Key Findings**

*Note: The statistical data (percentages) presented within this report relates to survey responses only. The number of responses received for individual questions may be lower than the total number of completed questionnaires returned. Percentages are therefore based on the number of responses to individual questions (n=number of responses) and not necessarily the number of completed surveys received.*

*Qualitative analysis incorporates both the open-ended responses to the survey **as well as** the qualitative feedback from conversations. **Participation in the consultation was self-selecting. The data should be considered within this context.***

## **Meals Direct**

703 surveys were completed and received by the closing date. Note: all telephone conversations with Meals Direct clients were entered directly into the online survey by officers taking the calls.

## **Respondent profile**

As shown in **Graph 1**, the largest group to respond to the survey, were family members of service users and "other" interested people. One hundred and six (106) service users themselves responded to the consultation.

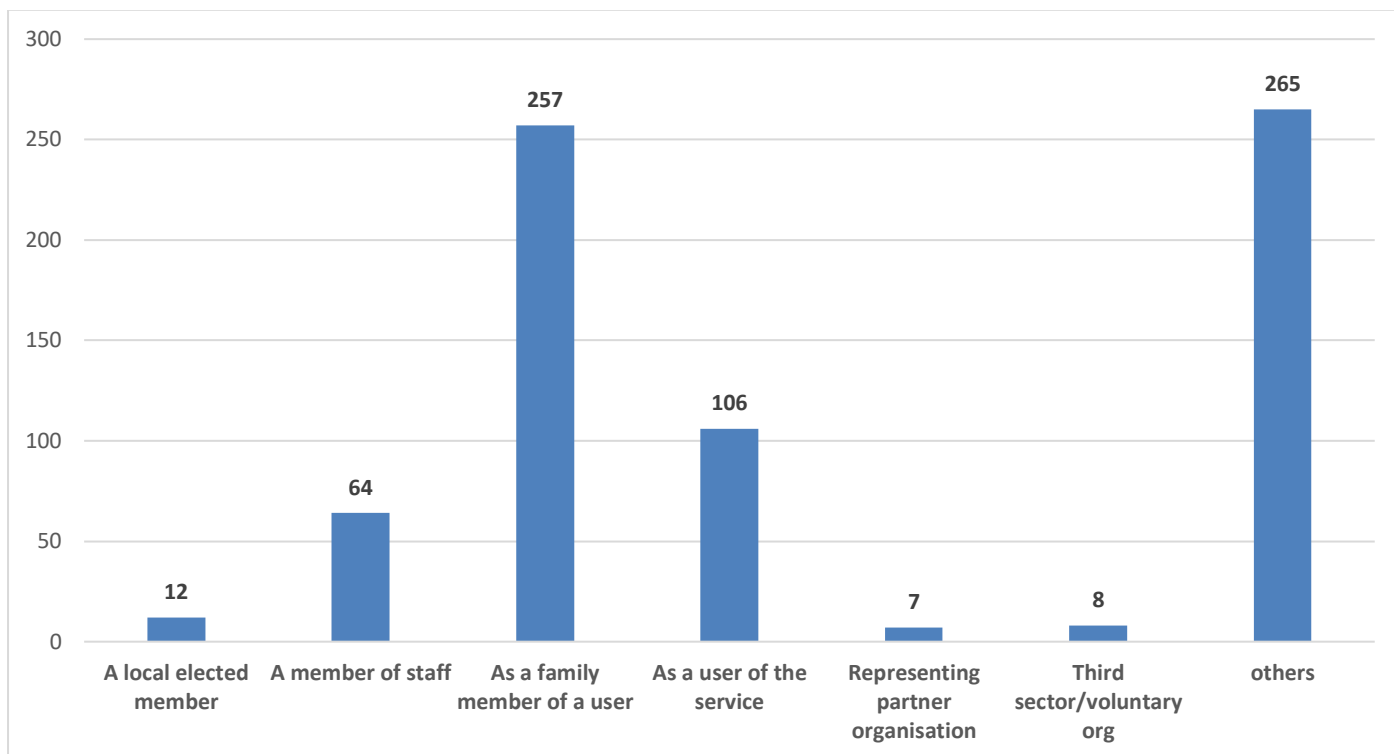
The average age of service users who responded to the survey was 82 (n=106). The average age of family members (n=211) /all respondents who completed the survey (n=599) was 62.

Just over two thirds (67%) of respondents were female and 92% of respondents indicated that their preferred language was English whilst 3% were Welsh speakers.

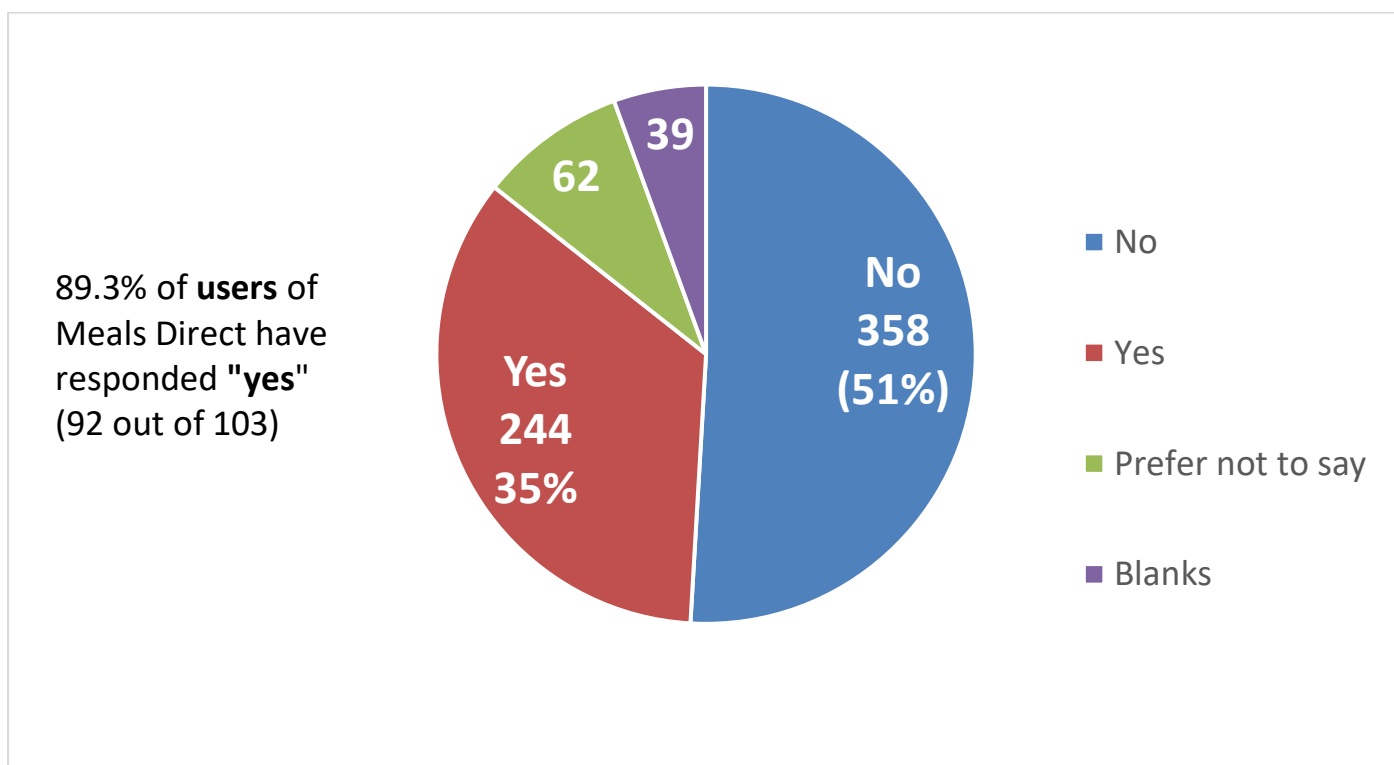
Just over half (51%) of respondents had a disability whilst amongst service users this was 89% (see **Graph 2**). Of those with a disability, 93% indicated that this impacted on their day-to-day activity (n=244). The figure increases to 98.9% of those who are service users (91/92 respondents).



**Graph 1: Interest in consultation (multiple answers possible)**

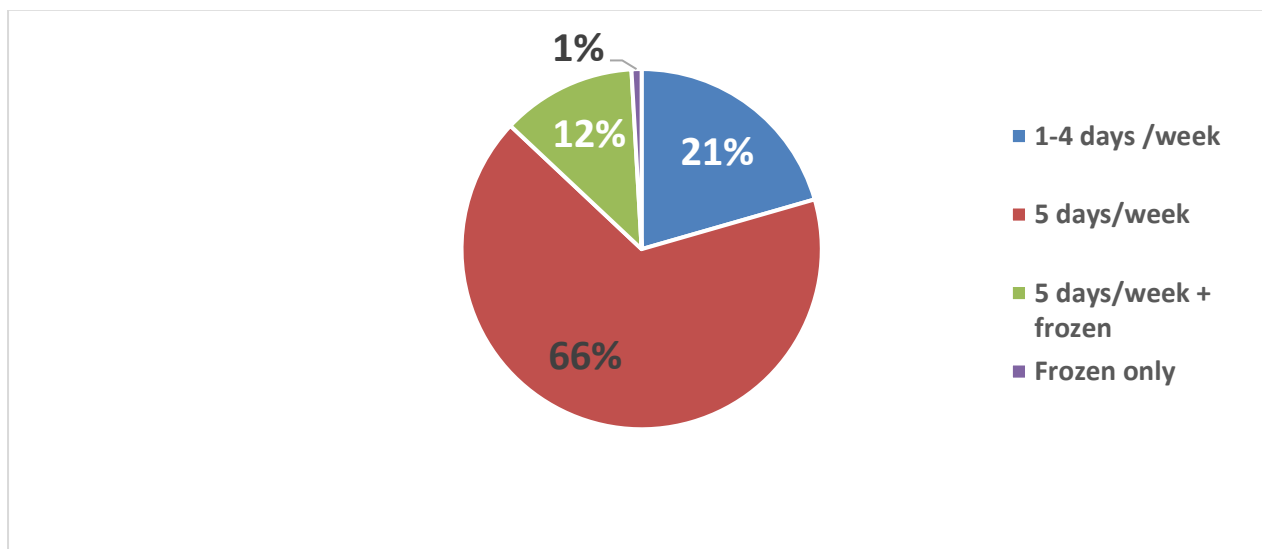


**Graph 2: Disability (n=703)**



As summarised in **Graph 3**, for Meals Direct customers/family members who responded on their behalf (n=331) around two thirds receive Meals Direct 5 days a week. A further 12% receive meals 5 days a week and frozen on weekends whilst 21% receive meals between 1 and 4 days a week. The remaining 1% received frozen meals only.

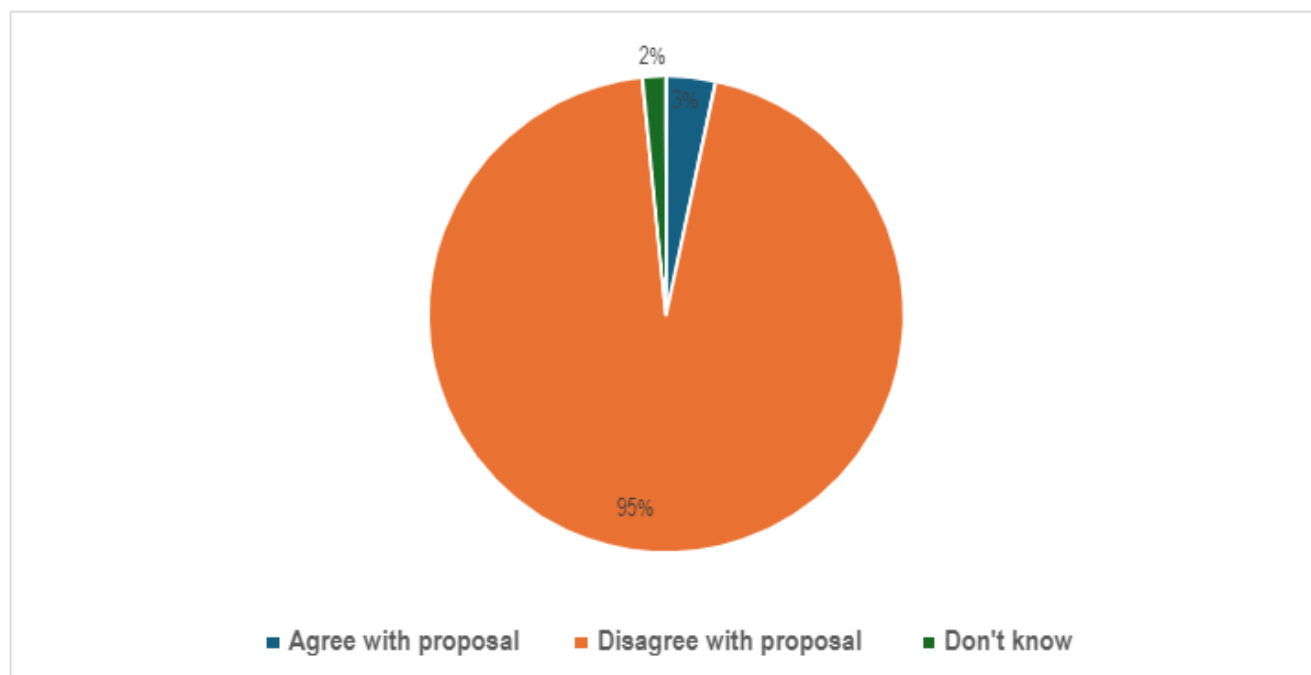
**Graph 3: How often do you receive Meals Direct (n=331)**



### Respondent views and emerging themes

Overall, 95% of respondents (n=689) disagreed with the proposal. **Graph 4** highlights responses to the question “Please indicate whether you agree or disagree with the proposal”.

**Graph 4: Please indicate whether you agree or disagree with the proposal (n=689)**



When asked why they agreed or disagreed with the proposal, the key themes were:

#### Disagree

By far, the overarching theme was the **need to protect vulnerable/older people within our community** with many expressing the view that this service is vital, and that older people should be entitled to this provision. This is particularly the case for users who are disabled or have cognitive impairment (memory loss/dementia) and are unable to cook for themselves

- The absence of a like for like alternative -a hot meal
- The additional benefits that the service provides (more than a meal) to service users in relation to:
  - Social isolation

- Allows independence/people to stay at home particularly where family are unable to support daily through work commitments/distance
- Safeguarding, early intervention – preventative service
- A number felt that the Council should use resources more effectively and save money elsewhere
- There will be an additional impact on social services / health services if this preventative service is removed and that Meals Direct can aid hospital discharge
- Some felt that the food provided is of a good quality, nutritionally balanced and offers good value for money food currently offered with alternatives being more expensive.
- A number indicated that they would be happy to pay more (for a service that offers peace of mind to family members)
- The proposal will result in job losses
- A small number questioned how they would access provision in the future if the service is removed

## **Agree**

Those who agreed with the proposal noted that:

- Affordable alternatives available
- Poor quality of food offered currently
- Cuts need to be made
- Inconvenient timing

## **Impact on you/your family member**

Key themes can be grouped into impacts on the service user, their family member and wider service provision.

- Current service users may be unable to stay in own home or
- unable to cook for themselves so would require wider care package (impact on social services), would eat less nutritionally balanced diet/not eat properly – impact on health
- Social isolation as no-one visiting daily – impact on cognitive/emotional/wellbeing
- Family would need to accommodate but some were concerned that family members who work or live away from the service user would not be able to provide support during the week in particular
- Negative short-term impact but would adjust
- Job losses
- Family unable to support daily - work commitments/distance
- Costly alternative provision
- Too many cuts in Care
- Older generations are being ignored
- A number of comments referenced the need to consider potential future needs of an aging population

## **Mitigation**

When asked what could be done to reduce the impact of the proposal on the service user/family, by far, the most widely given response was to keep the service as it is. The following themes emerged:

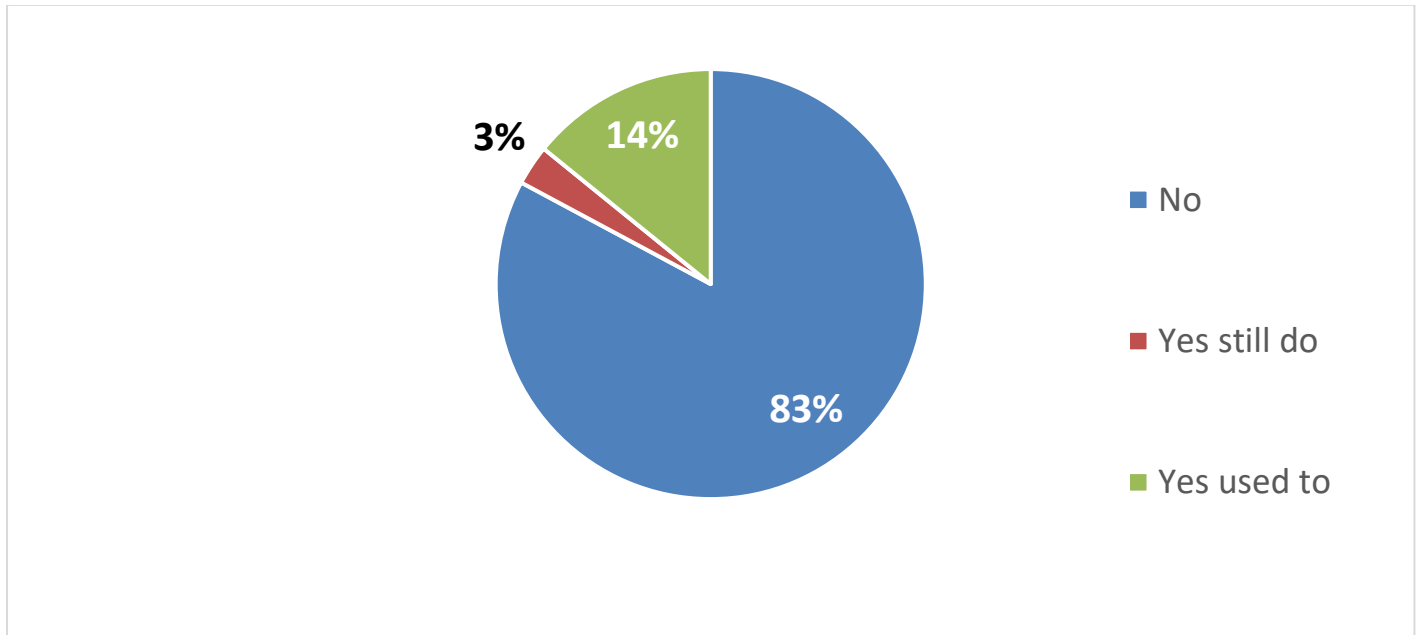
- Provide list of alternatives
- Support those who need (through Social Services or arranging alternative provider)
- Keep but run the service differently
- Make changes in other areas of the Council
- Assess (wider) support needs of current users
- Charge more
- Offer financial support
- Support those who need (through Social Services)
- Engage with service users directly regarding their needs

- A shopping service

### Alternative provision

This section of the survey asked Meals Direct users their experience of using alternative provision. As shown in **Graph 5**, the majority of Meals Direct users have never used an alternative provider.

**Graph 5: Have you used or do you use any other meal delivery service?**



Main reasons given for no longer using alternative provision can be themed as follows:

- High cost
- Didn't want frozen meals
- No longer suitable (physical/cognitive deterioration)
- Poor quality
- No longer required
- Portion size
- High cost AND poor quality
- Personal preference/choice
- Additional support provided by Meals Direct staff
- Less reliable
- Poor choice

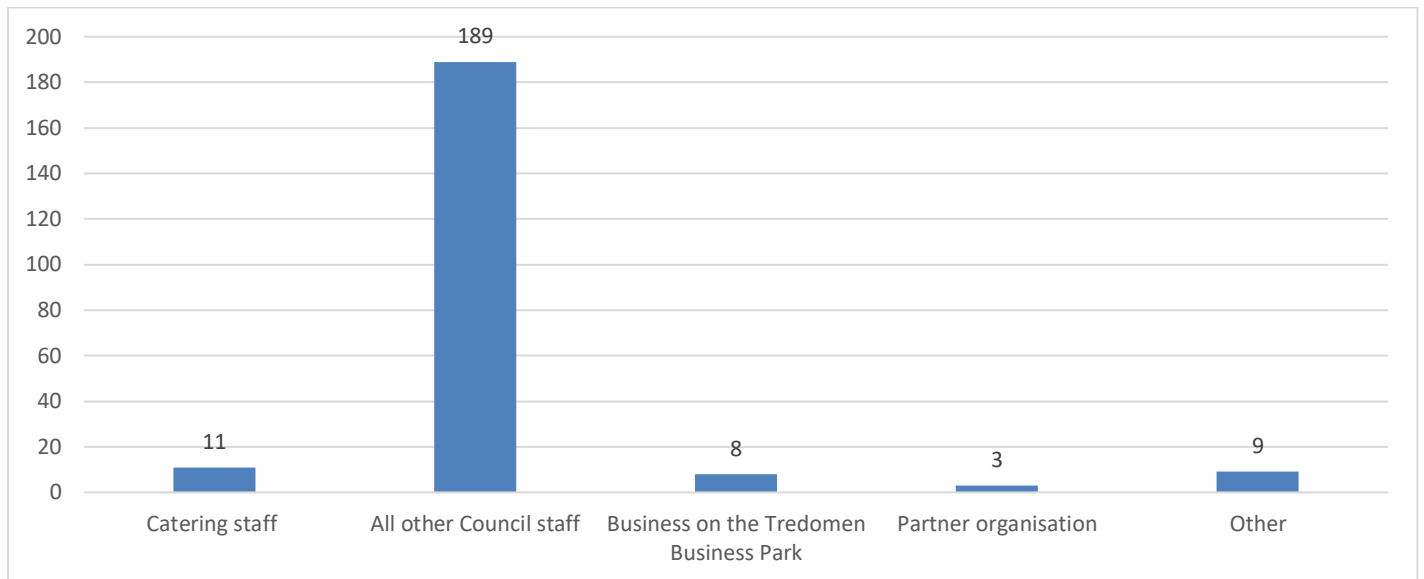
Benefits of Meals Direct over alternative provision

- A HOT meal – plated, no preparation needed
- Regular social interaction
- Service/staff go above and beyond
- Safeguarding role (peace of mind, trusted, links to Social Services)
- Affordability
- Reliability
- Tailored to needs - supporting diets e.g. nutritious, low salt etc

## The Hive

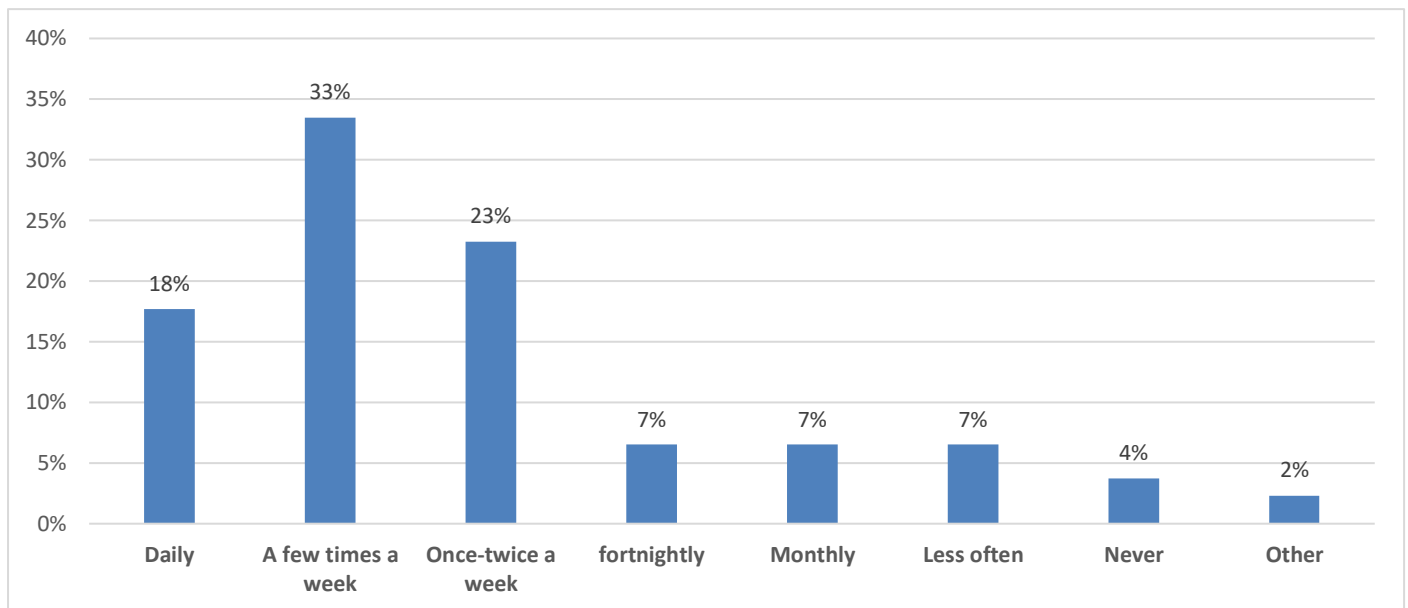
A total of 217 responses were received to the survey. Most of the responses came from staff and the main place of work for 77% of respondents was Penallta House. **Graph 6** highlights the response (note more than one option was possible).

**Graph 6: Interest in consultation (multi-response question)**



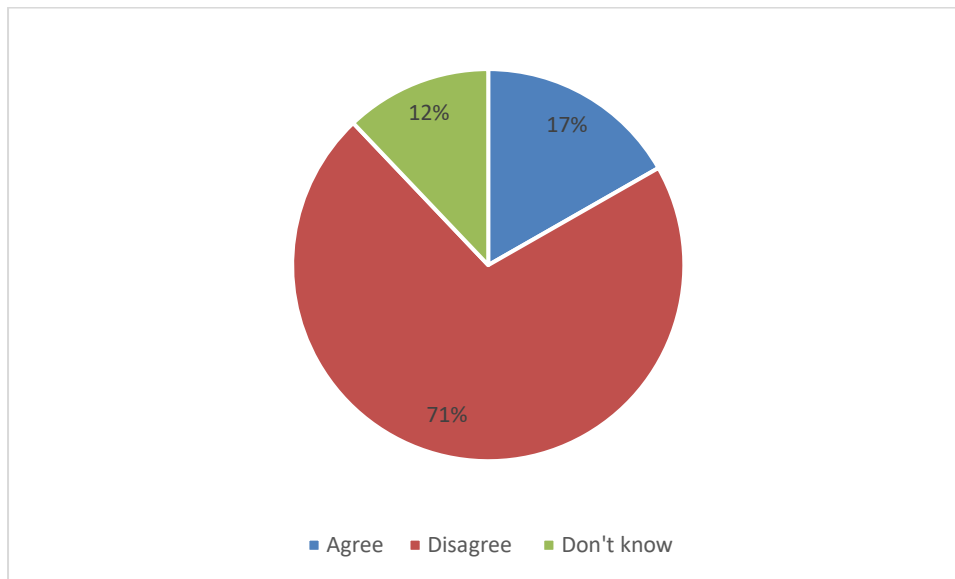
Of those indicated that they visit the Hive to buy something, 73% visit at least once a week (see **Graph 7**).

**Graph 7: How often do you visit the Hive to buy something?**



Overall, 60% of respondents were female and 10% indicated they had a disability.

## Graph: Do you agree or disagree with the proposal to close its catering facilities at Penallta House? (n=215)



### Do you agree or disagree with the proposal to close the Hive, Penallta House?

71% of those who responded to the question disagreed with the proposal to close the Hive. 17% agreed and 12% were unsure. As expected, those who visit the hive most regularly were more likely to disagree with the proposal to close the Hive.

### Reasons for support/disagreement with the proposal

The main reasons given for disagreeing with the proposal were:

- Closure will have a negative impact on staff in terms of
  - well-being
  - loss of valued colleagues and a negative financial impact if jobs are lost
  - social
- The provision is a basic need
- The provision is well used and of good quality
- There are no alternative close by/within walking distance so the closure will have a negative impact on staff time and the environment as staff will need to travel further (by car) to buy lunch
- Opportunities to improve and opportunities to increase income are being missed e.g. hosting visitors
- Some felt that savings could be better made elsewhere

Reasons for supporting/indicating that they didn't know

- An understanding that this is a non-essential service, and that savings need to be made. If it is not sustaining itself then it should not be subsidised
- There is less demand on the Hive as the council has moved to agile working and the provision is not well used
- A small number felt that the Hive does not provide good value for money (expensive) and the quality of the provision is poor

Regardless of whether they agree or disagree state they wouldn't want to see the catering team lose their jobs

### Impact

Reflecting views expressed above, the potential impacts of the proposal identified by respondents can be themed as follows:

- Negative impact on staff morale/wellbeing
  - availability of a hot meal,

- less likely to take a break
- less likely to work from Penallta house
- An impact on work life balance if no food is available - time to prepare/busy family life etc/
- Inconvenience of needing to bring own lunch or needing to purchase food from elsewhere - extra time for lunch/travel pollution/litter/meeting dietary requirements
- Nowhere for visitors to the building to eat/purchase refreshments/lunch or buffet provision
- Economic and financial impact on staff - loss of jobs / work experience and local suppliers

## **Mitigation suggestions**

By far, the most suggested mitigation was to keep the Hive open.

Other suggestions included providing an alternative food and drink provision e.g.

- reduce range of offer
- vending machines
- provide better facilities for staff to use hot water/ storage areas/ larger fridge /microwaves / toasters
- replace with a shop
- change/extend service offered
- offer more food options
- self serve/honesty box
- collaboration with businesses

Ensuring that the space is kept for staff to meet was also felt to be important to a number of respondents

To encourage more use, a number of respondents suggested that staff should be encouraged to return to the office more often and others suggested that the space should be promoted and residents/groups invited to use facility.

## **Next steps**

The outcomes of the consultation will be considered through the Mobilising Team Caerphilly governance structure. The full list of comments received can be found at <https://conversation.caerphilly.gov.uk/meals-direct-service>

## **List of annexes**

Annex 1: Feedback from interested parties

Annex 2: Digest of comments received through survey

Annex 3: Feedback from drop-in sessions

Annex 4: Social media feedback

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**Appendix 3 – Financial Case for Catering**

<b>OPTION</b>	<b>NPV 2024/25 to 2029/30</b>	<b>Benefits Cost Ratio</b>	<b>MTC Savings Target 2024/25</b>	<b>MTC Saving 2025/26</b>	<b>MTC Saving 2026/27</b>	<b>MTC Saving 2027/28</b>	<b>Total Budget Savings (Excluding one-off costs)</b>	<b>One-off costs</b>
1) consult July 24 – cease service end of Oct 24	(£1,951,191)	24.34	(£29,691)	(£414,403)	£0	£0	(£444,094)	£83,608
2) consult July 24 – cease service end of Nov 24	(£1,912,506)	23.87	£0	(£444,094)	£0	£0	(£444,094)	£92,601
3) consult Sept 24 – cease service end of Dec 24	(£1,847,173)	23.87	£0	(£371,221)	(£72,873)	£0	(£444,094)	£90,353
4) consult as part of budget – cease service end of March 25	(£1,748,306)	22.64	£0	(£261,912)	(£182,182)	£0	(£444,094)	£83,608

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## **SPECIAL CABINET – 25TH SEPTEMBER 2024**

**SUBJECT: MOBILISING TEAM CAERPHILLY – FUTURE PROVISION OF LLANCAIACH FAWR MANOR**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

### **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to update Members on the outcome of the Mobilising Team Caerphilly (MTC) consultation on the future provision of Llancaiach Fawr Manor and to present a business case and set of recommendations for consideration.
- 1.2 This report was discussed at the Joint Scrutiny meeting on the 24 September 2024 and officers will provide a verbal update on the discussion at scrutiny during the Cabinet meeting.

### **2. SUMMARY**

- 2.1 There is currently significant pressure on public finances across the UK. Central Government, Local Government, Health and other sectors are all facing challenges where the costs of delivering services have accelerated far beyond the level of funding available to the sector.
- 2.2 The impact of these challenges upon Caerphilly County Borough Council have seen the Council facing the need to make £65m of savings during the period 2024/25 through to 2026/27 essentially just to stand still. Having identified a range of permanent savings as part of the 2024/25 budget setting process totalling circa £20m, the remaining balance of £45m must be found over the next two years.
- 2.3 In July 2023, the Council launched its Transformation Portfolio known as Mobilising Team Caerphilly. The Portfolio consists of two component

programmes: Service Transformation and Place Shaping. The Service Transformation Programme is primarily charged with delivering the necessary change across the Council to meet the £45m savings requirement.

- 2.4 Service Transformation includes several workstreams with a key focus on, Customer Journey, Collaboration and Partnerships, People and Ways of Working and Unavoidable Change. There are currently 15 projects 'in flight' which are focused on making a contribution towards the financial target and transforming service.
- 2.5 Each Project is being developed using Agile Programme Management methods while, the Portfolio as a whole, is supported by a Portfolio Management Office (PMO). The PMO is responsible for developing and ensuring adherence to agreed governance arrangements and decision making, as well as driving and tracking benefits realisation.
- 2.6 Portfolio governance arrangements are built upon the Welsh Government endorsed HM Treasury Green Book business case guidance and five case model (cases for Strategic, Economic, Commercial, Financial and Management). On this basis, each of the 15 projects will be underpinned by business cases that covers these aspects.
- 2.7 This report focuses on the Council's provision of Llancaiach Fawr Manor. The Business Case summary for Llancaiach Fawr Manor (attached at Appendix 1) has been developed over many months through a Project Lead working with a multi-disciplinary project team and with support from a Project Sponsor.
- 2.8 The Strategic Outline Business Case for each Project considers a number of options for the service under review:
  - Do Nothing
  - Stop
  - Reduce service to minimal legally compliant baseline
  - Improve and modernise the service
  - Alternative delivery model
- 2.9 The Strategic Outline Business Case for Llancaiach Fawr Manor was presented to cabinet members at a Policy Development Meeting (PDM) in April 2024. During this discussion, the options set out in 2.8 were explored and discussed before PDM gave an initial direction on the option that the Project Team should develop.
- 2.10 The option selected for Llancaiach Fawr Manor was as follows:

**ALTERNATIVE DELIVERY MODEL** disposal of this asset via various arrangements to operate at a cost neutrality to the Council.
- 2.11 PDM acknowledged the size and scale of the subsidy that underpinned the

service and that the service was non-statutory in nature. The development of an Outline Business Case that focused on stopping the service was considered at that point, the most appropriate option.

- 2.12 An Outline Business Case was subsequently developed that focused on the development of an Alternative Delivery Model. The findings of the Outline Business Case (OBC) for Llancaiach Fawr Manor were presented at a series of PDMs in July 2024.
- 2.13 The OBC, again using the Treasury Five Case model, covered the Strategic, Management, Economic, Financial and Commercial aspects of stopping the service. At PDM, support was received to progress to a public consultation on an alternative delivery model for Llancaiach Fawr, specifically to 'mothball' the facility at the end of December 2024 and to explore options for the facility to be run in a different way in the future.
- 2.14 The consultation would take place over a six week period and would seek to establish the views of the public and relevant stakeholders on the mothballing of the facility from the end of December 2024.
- 2.15 This report provides Cabinet with a Business Case, Integrated Impact Assessment (IIA) and the outcomes of the consultation as a basis for a decision on the continuation of the service. These aspects are summarised in the main body and attached in full within the appendices.

### **3. RECOMMENDATIONS**

- 3.1 Cabinet is asked to consider the Business Case, the Consultation Report and the Integrated Impact Assessment (IIA) set out within this report and endorse one of the recommendations set out below:
  - 1) Mothball Llancaiach Fawr Manor at the end of December 2024 with staff exiting this financial year and explore options for the facility to be run in a different way in the future.
  - 2) Ask officers to develop a range of further options to make the delivery of Llancaiach Fawr Manor sustainable over the long-term.
  - 3) Continue with the existing provision at Llancaiach Fawr Manor.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 Caerphilly CBC needs to identify further financial savings in the order of £45million over the next two financial years. It will not be possible to make this level of financial saving without undertaking significant transformation across all parts of the Council.

## **5. THE REPORT**

- 5.1 Public finances across the UK are under significant strain. Central Government, Local Government, Health and other sectors are all facing challenges relating to the costs of delivering services far outweighing the level of funding available to the sector. On this basis, public sector bodies find themselves having to transform their provision, prioritise the delivery of certain services and, in some cases, cease services all together.
- 5.2 Having identified a range of permanent savings as part of the 2024/25 budget setting process totalling circa £20m, the Council now needs to find the remaining balance of £45m over the next two years. This equates to around 10% of the Council's overall net revenue budget. With 78% of the Council's budget spent on Education, Social Services, Waste and Infrastructure, the Council is facing some extremely difficult choices.
- 5.3 The Council's Transformation Portfolio, Mobilising Team Caerphilly, is now becoming embedded as part of the Council's core business. The Service Transformation Programme aspect of the Portfolio is charged with delivering the necessary change across the Council to meet the £45m savings requirement. At present, there are 15 'in flight' projects which are focused on contributing towards the financial target and transforming service. Every aspect of Council business will, at some point, form part of Mobilising Team Caerphilly.
- 5.4 The Projects are being developed through Agile Programme Management principles and, the Portfolio as a whole, is supported by a Portfolio Management Office (PMO). The PMO is responsible for developing and ensuring that Mobilising Team Caerphilly is managed within agreed governance principles and that all benefits can be tracked and realised as a contribution toward the £45m savings requirement.
- 5.5 Mobilising Team Caerphilly's Portfolio governance arrangements are built upon the Welsh Government endorsed HM Treasury Green Book business case guidance and five case model. The five case model covers the Strategic, Economic, Commercial, Financial and Management cases associated with change. Each of the 15 projects referenced in 5.3 are underpinned by a business case that covers these respective cases.
- 5.6 This report focuses on the Council's provision at Llancaiach Fawr Manor. The Business Case summary for Llancaiach Fawr Manor (attached at Appendix 1) has been developed over many months through a multi-disciplinary Project Team, a Project Lead and with support from a Project Sponsor. The Team have developed the project through an initial Strategic Outline Business case on to an Outline Business Case towards the case set out within this report.

5.7 The Strategic Outline Business Case for each Project considers a number of options for the service under review, typically:

- Do Nothing
- Stop
- Reduce service to minimal legally compliant baseline
- Improve and modernise the service
- Alternative delivery model

### **Strategic Outline Business Case Stage**

5.8 The Strategic Outline Business Case for LLancaiach Fawr Manor was developed in the early part of 2024 and was presented to cabinet members at a Policy Development Meeting (PDM) in April 2024. During this discussion, the options set out in 5.7 were explored and discussed in some detail. The option that PDM preferred for onward development to an Outline Business Case (OBC) was an Alternative Delivery Model, specifically as follows:

**ALTERNATIVE DELIVERY MODEL** disposal of asset via various arrangements to operate at a cost neutrality to the Council.

5.9 PDM acknowledged the size and scale of the subsidy that underpinned the service and that the service was non statutory in nature. Summary detail from the financial case is set out in Table 1, section 8 of this report. The development of an OBC that focused on developing an alternative delivery model was requested by PDM.

### **Outline Business Case Stage**

5.10 An OBC was subsequently developed by the Project Teams under the stewardship of the Project Sponsor. The OBC focused singularly on the development of an alternative delivery model for Llancaiach Fawr Manor. The findings of the Outline Business Case for Llancaiach Fawr Manor were then presented and discussed during a series of PDMs in July 2024.

5.11 The OBC, again using the Treasury Five Case model, covered the Strategic, Management, Economic, Financial and Commercial aspects of stopping the service. The OBC also presented four different time frames for mothballing the facility, which would form the basis of the consultation:

5.12 The OBC is attached at Appendix 1 with a summary extract set out against the five cases below:

**Strategic Case:** Investment objective to minimise further expenditure on Tourism services to operate at cost neutral for the Council. This may include a disposal of the asset i.e. to an alternative provider, if possible, for the service, or full sale of asset. The strategic benefit is a per annum saving to the Council of £485,000 whilst aiming to maintain the cultural asset.

**Management Case:** The project forms part of the Mobilising Team Caerphilly portfolio of work. The Portfolio Management Office is responsible for governing the change approvals process. The key project controls are: change management, benefits realisation, risk management, post-implementation and evaluation and contingency and planning arrangements.

**Economic Case:** Up to five Outline Business Case options were reviewed and considered by PDM, all having a different impact on the Net Present Value (or savings that could be realised). These included:

- 1) consult on a seamless transition
- 2) consult from July 2024 with a view to mothballing the facility at the end of October 2024
- 3) consult from July 2024 with a view to mothballing the facility at the end of December 2024 with staff exiting in the next financial year
- 4) consult from July 2024 with a view to mothballing the facility at the end of December 2024 with staff exiting this financial year
- 5) consult as part of the annual budget consultation with a view to mothballing the facility at the end of March 2025

**Financial Case:** Considers capital and revenue benefits and dis-benefits. A financial case was created for each of the five options that included associated one-off costs, benefits cost ratio and Net Present Value modelled up to 2030.

**Commercial Case:** No procurement requirement was identified, however, a review of existing commercial agreements has been considered as part of the Outline Business Case.

- 5.13 Following detailed discussion and consideration of the five case model set out within the OBC and the consultation options set out in 5.12, PDM determined that the favoured option would be option 4, to consult from July 2024 with a view to mothballing Llancaiach Fawr Manor at the end of December 2024. PDM also agreed that £30k should be allocated to appoint an agent to begin to market the facility to prospective interested parties.

### **Consultation Stage**

- 5.14 The consultation ran for a 6-week period from Tuesday 30<sup>th</sup> July to Tuesday 10<sup>th</sup> September 2024. The consultation was widely promoted to enable all those who wished to give their views an opportunity to take part. It is important to note that consultations on the following proposals were undertaken together:

- to ‘mothball’ Llancaiach Fawr Manor at the end of December 2024 and explore options for the facility to be run in a different way in the future.
- to withdraw Blackwood Miners’ Institute subsidy, which could see the venue mothballed at the end of December 2024. The authority would then explore options for the facility to be run in a different way in the future.



The key findings within the consultation analysis appended to this report include the full findings of both consultations for completeness.

5.15 The primary consultation tool was a questionnaire, however, participants were encouraged to respond in a number of ways.

- The survey questionnaire was made available bilingually online (as outlined above) and in paper format available for printing from the council website, from libraries and on request via e-mail or over the phone
- Four face to face drop in sessions took place at local venues with a further two online drop in sessions held during the consultation period
- A dedicated web page linked directly from the home page of the council's website

#### [Link to Webpage](#)

- Posters displayed in venues, libraries and other public facing council buildings. The posters promoted the drop-in engagement sessions and a link to the online platform where additional supporting information and the survey could be found.
- Media and social media releases at the launch of the consultation and throughout the consultation period, including via NewsOnline (the council's e-mail newsletter) There were 9 Facebook posts on the council's Facebook page during the consultation period eliciting 168 comments. This was shared widely by local community groups including Friends of Llancaiach Fawr and others.

Targeted engagement with stakeholder groups:

- Potentially affected staff were informed and engaged directly by their management team, Human Resources and supported by Trade Unions

#### 5.16 **Feedback from consultation process**

**2726** completed surveys were received by the closing date (important to note the survey sought views on both Llancaiach Fawr and Blackwood Miners' Institute). The largest proportion of respondents were residents of Caerphilly county borough and those who visit the venues.

In addition, just under 200 people attended a drop-in session throughout the consultation period (views were sought on both proposals) to discuss their views with a member of the council's engagement team.

In breaking down the responses, more than two thirds of those who responded to the survey were female. A higher proportion of respondents born before 1950 were men whilst a higher proportion of respondents born after 1970 were female.

**Of those who responded to the question, 92% disagreed with the proposal to remove the subsidy for Llancaiach Fawr Manor and mothball the venue from December 2024.**

The main reasons given for disagreeing with the proposal can be themed:

- Its unique nature and importance as a historical/heritage venue
- Attracting tourists/visitors
- Contributing to education with a focus on young people
- As a facility for local community
- Economic benefits of visitors on the local economy
- CCBC can make savings in other ways
- ‘Some things are more important than money’
- The proposal will not make a significant impact on savings targets
- If it is "mothballed" it won't reopen – the subsidy should be retained until an alternative is found
- What alternative options have been considered?
- The site could be promoted and marketed more effectively to increase income
- It could be used for something else
- Don't want staff to lose their jobs
- Depends on what alternative use of site might be
- Understand savings need to be made but...
- A disproportionate amount of money going to Caerphilly town
- Need to keep facilities in the north of the borough

A number of people felt that more information was needed to help them understand the proposal and comment. They felt that more information on alternative models and detail on income and costs were needed before they could fully give their views.

Main reasons given for agreeing with the proposal were:

- Non-essential service - prioritise essential services
- Level of subsidy is too high
- Do not subsidise/subsidy is too much/should be self-sustaining
- Would agree if an alternative can be found

Respondents were also asked whether they agree or disagree with the level of subsidy for Lancaiach Fawr Manor (£485,000 per annum). 69% stated they agreed with the subsidy level while 13% disagreed and 18% “don’t know”. The main reasons given for supporting the subsidy were that the subsidy is relatively small and it is important to recognise the wider benefits to the community and local area. Those who disagreed with the level of subsidy – a far smaller number - felt the council should prioritise essential services and that it could be run by an external/charitable provider.

To help understand the potential impact of the proposal to mothball Llancaiach Fawr from December 2024, survey respondents were asked to share how often they have visited the venue in the last 12 months. 54% of respondents had visited the venue between 1-3 times, 16% had visited 4-6 times and 19% more than 6 times in the last 12 months.

By far, the most frequent reasons for visiting Llancaiach Fawr were the café and attending events. A tour of the Manor House was the third most popular reason for visiting, while attending an exhibition and the gift shop were also popular reasons to visit.

One of the questions sought to gain an insight into how the proposal would impact upon residents and their families. Key themes emerging included a significant impact on access to history and local heritage, an impact on the local economy through a reduction in visitors to the area who, in turn, spend money locally and that alternative venues would need to be found for groups which currently use Llancaiach Fawr to meet and exhibit.

In addition, some felt there would be a particular impact on Welsh speaking groups who use the venue for a range of regular activities, and that there would be a significant impact on education for children and young people in particular. A number of people who had attended weddings at the venue felt this proposal would be a great loss in this regard, and many felt the proposal would see the loss of an excellent venue for events.

A further question sought to identify views for how the potential impact of the proposal could be mitigated. By far the preferred suggestion was to keep the venue open. Others felt strongly that more time should be given to allow for alternatives to be put in place. Some felt that the subsidy could be reduced but not removed and a number of suggestions were made regarding running the venue more efficiently and increasing income.

Effectively marketing the venue as a tourist destination was regularly highlighted as was seeking innovative ways of increasing income and widening the offer at the venue.

A petition was also received on 9 September 2024 from the “Friends of Llancaiach Fawr” with 9198 signatures against the Llancaiach Fawr Manor proposal (including 3168 signatures and 6030 to the online petition).

Further, correspondence was received on the Llancaiach Fawr proposal from a number of other interested parties, including Trade Unions. The themes highlighted by these is in line with those identified through the consultation, and these, along with all comments received can be found at:

<https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>

## **Conclusion**

- 5.17 Public finances across the UK are under significant strain. Central Government, Local Government, Health and other sectors are all facing challenges relating to the costs of delivering services far outweighing the level of funding available to the sector. On this basis, public sector bodies find themselves having to transform their provision, prioritise the delivery of certain services and, in some cases, cease services all together.

## 6. ASSUMPTIONS

- 6.1 Should Cabinet determine that Llancaiach Fawr Manor should be mothballed, it is assumed that an interested party can be identified who would keep the facility in use and realise the intent of an alternative delivery model.

## 7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 Integrated Impact Assessment have been completed for the Llancaiach Fawr proposal, which is available at:

[Link to IIA](#)

- 7.2 Some respondents perceived a greater impact on them due to their protected characteristics, in particular:

- Disability – Llancaiach Fawr is an accessible venue
- Welsh Language – Welsh language groups use the venue for a wide range of events/meetings
- Age – older people enjoy the accessible venue
- Impact on mental health e.g. visitors using the garden
- Armed Forces Veterans
- Religion
- Gender
- Marital status – unable to get married at the venue
- 20% felt that the proposal will treat the Welsh language less favourably than the English language. The remained either said “no” or left the question blank
- Socio-economic impact:
  - Staff (job losses)
  - Loss of income from the local economy and
  - The need for people to travel further

These potential impacts are explored fully within the Integrated Impact Assessment.

## 8. FINANCIAL IMPLICATIONS

- 8.1 The financial case for Llancaiach Fawr was presented to PDM in July 2024 as part of the Outline Business Case. The financial case included a range of options relating to the mothballing of the facility. The financial case is set out below:

Table 1 – Llancaiach Fawr Options (Attached at Appendix 3)

OPTION	NPV 2024/25 to 2029/30	Benefits Cost Ratio	MTC Savings Target 2024/25	MTC Saving 2025/26	MTC Saving 2026/27	MTC Saving 2027/28	Total Budget Savings (Excluding one-off costs)	One-off costs
1) consult on a seamless transition	(£1,751,834)	6.46	£0	(£363,750)	(£121,250)	£0	(£485,000)	£320,817
2) consult July 24 – mothball end of Oct 24	(£1,237,563)	2.38	£0	(£453,849)	(£31,151)	£0	(£485,000)	£922,140
3) consult July 24 – mothball end of Dec 24 (staff exit next financial year)	(£1,156,357)	2.36	£0	(£343,416)	(£141,584)	£0	(£485,000)	£906,463
4) consult July 24 – mothball end of Dec 24 (staff exit this financial year)	(£1,243,273)	2.44	£0	(£444,949)	(£40,052)	£0	(£485,000)	£907,830
5) consult as part of budget – mothball March 25	(£1,083,247)	2.34	£0	(£178,507)	(£306,493)	£0	(£485,000)	£820,240

8.2 Option 4 of the Financial Case, which was the direction given at PDM, will deliver a saving of £0.445m in 2025/26 and a further £0.040m in 2026/27. The endorsement included the appointment of an agent to begin marketing the facility. The Net Present Value (NPV) of this option, i.e. the current value of net saving across five years, would be £1.243m.

8.3 There are likely to be on-off costs in relation to redundancy, pension strain, cancellation fees and operational costs. At the time of modelling these were estimated to be £0.378m but these will need to be firmed up should Cabinet wish to move forward with the proposed option.

8.4 There is also a potential risk of one-off cost in relation to heritage grant claw back. This will be dependent on the outcome of alternative delivery, all relevant steps will be taken to mitigate this risk however worst-case position has been included in the financial modelling of £0.5m. One-off costs of £0.030m have also been included for the appointment of an agent to market the facility and consideration given to cover associated costs to maintain the building if it is mothballed.

8.5 One-off costs can be funded through the MTFP Contingency Reserve of £5.266m under delegated powers approved by Council on 24 July 2024.

## **9. PERSONNEL IMPLICATIONS**

9.1 There are currently 20 full time or part time members of staff employed to work Llancaiach Fawr Manor. In addition to this, there are 18 casual members of staff.

9.2 Should Cabinet decide to progress with the selected option and mothball the facility from the end of December 2024, or make any other decision with regard to the operation of the services, management will work with HR in accordance with relevant HR policies and in consultation with staff and Trade Unions as appropriate.

9.3 In this circumstance, there would be a statutory requirement to notify the Insolvency Service, Redundancy Payments Service of a proposal to potentially dismiss 20 or more employees as redundant at one establishment.

9.4 Where the continuing employment of staff is placed at risk through these proposals, staff who meet the qualifying criteria (i.e. two years' service) would be supported to enter the Council's redeployment pool. If the staff who enter the pool do not secure alternative employment before the expiration of the redeployment period which includes their statutory notice, a relevant redundancy payment would apply.

9.5 Staff who qualify for a redundancy payment, who are also aged 55 or over and paying into the local government pension scheme would also gain immediate access to their pension when their employment with the Council ends.

9.6 Any final decision to "mothball" the venue would not override the entitlement of staff who are eligible to enter the Council's redeployment pool.

## **10. CONSULTATIONS**

10.1 The Consultation Report is attached at Appendix 2 with common themes and mitigating actions summarised in section 5.15.

10.2 The report has also been considered by the Councils Joint Scrutiny Committee at its meeting of the 24 September 2024. Officers will provide verbal feedback on the views of Joint Scrutiny as part of the Cabinet Meeting that considers this report.

## 11. STATUTORY POWER

11.1 The Local Government Act 2000. All relevant legislation has been considered as part of this process and subsequent report.

Author: Richard Edmunds, Corporate Director for Education and Corporate Services

Consultees: Dave Street, Deputy Chief Executive  
Mark S Williams, Corporate Director for Economy and Environment  
Gareth Jenkins, Interim Corporate Director for Social Services  
Jo Williams, Assistant Director Adult Services  
Stephen Harris, Head of Financial Services and S151 Officer  
Leanne Sykes, Deputy Head of Financial Services and S151 Officer  
Sue Richards, Head of Education and Planning Strategy, Programme Director for Place shaping  
Lynne Donovan, Head of People Services  
Liz Lucas, Head of Customer and Digital Services, Programme Director for Service Transformation  
Stephen Pugh, Head of Communications  
Sarena Ford, PMO Communications Lead  
Lisa Downey, PMO HR Lead  
Hayley Lancaster, PMO Engagement Lead  
Anwen Cullinane, Senior Policy Office, Equalities and Welsh Language  
Lisa Lane Head of Democratic Services and Deputy Monitoring Officer  
Allan Dallimore, Regeneration Service Manager  
Leader, Deputy Leader and Cabinet  
Cllr Gary Johnson, Chair of Scrutiny committee  
Cllr Amanda McConnell Vice Chair of Scrutiny committee  
Trade Unions – GMB, UNISON, UNITE

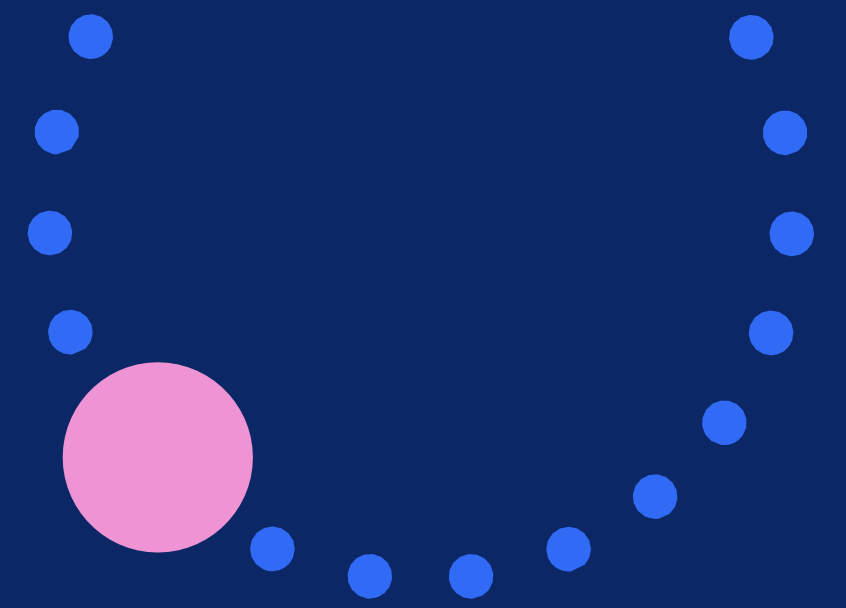
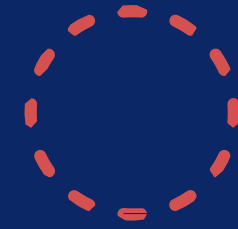
Appendices:

Appendix 1 Summary of Llancaiach Fawr Manor Outline Business Case  
Appendix 2 Consultation report  
Appendix 3 Financial case for Llancaiach Fawr Manor

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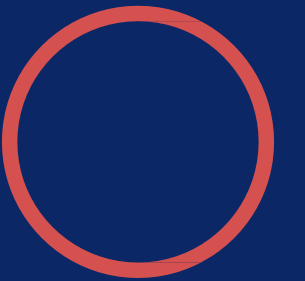
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# Llancaiach Fawr

Outline Business Case summary  
10 July 2024





# Decision Required



**Agree a consultation/engagement plan and timescales for the proposal to stop services provided by Llancaiach Fawr Manor and mothball the venue.**

**Agree to stop any new service requests as of immediate effect.**

What we achieved during the discovery stage:

- The discovery phase identified several options in relation to Llancaiach Fawr to consider.
- The steer was to focus on operating at a cost neutral for the council which could mean removal of the subsidy and looking to operate as an alternative delivery model.

What we plan to deliver as part of the define stage:

- Further test the option to operate at a cost neutral and to agree a consultation engagement plan on the future of Llancaiach Fawr that considers a notice period to service users.

# Strategic Case



# Investment Objectives



	Investment Objectives	Strategic Benefits
1	<p>Prevent further expenditure on the subsidy of Llancaiach Fawr Manor, to operate at cost neutral for the council.</p> <p>This could include disposal of the asset i.e. to an alternative provider, if possible, for the service, or full sale of asset.</p>	<p>£485k saving per annum Up to an estimated £1.7m Net Present Value modelled over 5 years.</p> <p>Cultural asset maintained</p>
2	<p>Recruitment of agent. Following consultation, if the decision is to stop the subsidy for Llancaiach Fawr Manor, a consultant will be onboarded to support finding new opportunities to run the venue at an estimated cost circa £30k.</p>	<p>Maximum reach to potential market will be achieved to attract investment opportunities.</p>

# Existing Arrangements and Business Needs



## Llancaiach Fawr Manor

One of three tourism destinations in a portfolio managed by the Visitor Economy & Destinations Manager

Llancaiach Fawr Manor and visitor centre is a place for all occasions. The historical Manor House has been restored and furnished as it would have been in 1645.

It caters for tours, events, weddings and restaurant services.

In 2024-25, the total budget subsidy is £485K.

There are currently 20 members of staff which are either full time or part time posts and 18 are casual.



# Scope and Service Requirements



<p><b>Business Scope</b></p> <p>Llancaiach Fawr Manor and visitor centre is a place for all occasions. The historical Manor House has been restored and furnished as it would have been in 1645.</p> <p>It caters for tours, events, weddings and restaurant services.</p> <p>It is a non-statutory service.</p>		<p><b>Out of Scope</b></p> <p>All is in scope</p>	
<b>Service Requirements</b>			
<b>Core</b>	<b>Desirable</b>	<b>Optional</b>	
<p>Agree a consultation/engagement plan and timescales for the proposal to stop services provided by Llancaiach Fawr Manor and mothball the venue.</p> <p>Agree to stop any new service requests as of immediate effect.</p> <p>To operate at a cost neutrality and to contribute to the councils needs of savings £65m in 3 years.</p>	<p>Onboard marketing agent / business development consultant to maximise exposure to alternate providers.</p>	<p>N/A</p>	



# Key Risks, Constraints and Dependencies



Risks	Constraints	Dependencies
<p><b>Timing</b></p> <ul style="list-style-type: none"> <li>• Commitment to meet Year 1 savings</li> <li>• Consultation</li> </ul> <p><b>Service Users</b></p> <ul style="list-style-type: none"> <li>• Existing ticket sales and bookings reimbursed</li> </ul> <p><b>Authority</b></p> <ul style="list-style-type: none"> <li>• Clawback – grants / funding received</li> <li>• Reputational damage – ceasing a service known to Caerphilly</li> <li>• Customer base is growing – i.e. bookings continuing to be made</li> </ul> <p><b>Staff</b></p> <ul style="list-style-type: none"> <li>• Potential job losses</li> <li>• Staff morale - potential increase in staff sickness, making it difficult for service delivery following consultation period</li> <li>• Mis-communication or timing of consultation of proposal</li> </ul> <p><b>Constraints / Dependencies</b></p> <ul style="list-style-type: none"> <li>• Staff options</li> <li>• Legal obligations</li> <li>• Overall timescales</li> <li>• TU discussions</li> <li>• Support from internal services – Communications / Engagement / HR / Finance – to provide accurate information to inform decisions to go to next stage</li> <li>• HR policies and support to all affected staff</li> <li>• Any other support provisions considered must be cost neutral</li> </ul>	<ul style="list-style-type: none"> <li>• Agreement and planned Communication/Engagement plan.</li> <li>• Accuracy of financial data.</li> <li>• Factoring in security of building</li> <li>• Factoring in the de-commissioning of equipment</li> <li>• Staff costs in relation to redundancies</li> <li>• Dependencies across services, catering, tours, events.</li> <li>• HR support to all staff affected.</li> <li>• Any other provisions considered must be cost neutral – inc. contract management</li> <li>• Llancaiach Fawr Manor is still open so could be impacted by changes in visitor numbers.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff options</li> <li>• Legal obligations</li> <li>• Overall timescales</li> <li>• TU discussions</li> <li>• Support from internal services – Communications / Engagement / HR / Finance – to provide accurate information to inform decisions to go to next stage</li> <li>• HR policies and support to all affected staff</li> <li>• Any other support provisions considered must be cost neutral</li> </ul>

# Economic Case



Annual combined cost to CCBC of **£485k** (based on forecasted budget for 2024/25) – which has considered estimates for inflation.

## Outline Business Case – Options considered

1. Consult July 24 on a Seamless transition to alternative delivery model
2. Consult July 24 – Mothball end of October 24
3. Consult July 24 - Mothball end of December 24 and staff exit next financial year
4. Consult July 24 – Mothball end of December 24 and staff exit this financial year
5. Consult Nov 24 as part of Budget – Mothball end of March 25

# Options appraisal



## Option 1 - Seamless transition

- Seeking to achieve disposal of asset to alternative delivery provider (private sector)
- Requires appointment of agents to expose venue to correct target audience (circa £30k and no funding currently approved)
- Process estimated to take us into early part of next financial year - Staff to be consulted in July but opportunities for TUPE if new provider delivers comparable service
- Risk of grant clawback minimised. Risk of cancellations minimised.

## Option 4 - Notice of closure July - actual closure end of December (staff exit this financial year)

- Need to mothball from 31st December
- Still looking to market site to alternative delivery provider – so appointment of agents still required
- Staff could be served notice Oct
- Risk of grant clawback. Cancellation payments for weddings etc required but reduced (summer weddings next year)

## Option 2 - Notice of closure July - actual closure end of October

- Need to mothball from 30 October
- Still looking to market site to alternative delivery provider – so appointment of agents still required
- Staff could be served notice at end of July
- Risk is that a closed venue is less attractive for marketing. Risk of grant clawback very real. Cancellation payments for weddings may be required

## Option 5 - Linked to Budget consultation, Closure end of March

- Consultation in line with Budget Report in January
- Still looking to market site to alternative delivery provider – so appointment of agents still required but delayed until February
- Staff to be consulted as part of budget consultation. Staff could be put on notice of redundancy in January 25
- Risk of grant clawback. Cancellation payments for weddings etc required but reduced (summer weddings next year)

## Option 3 - Notice of closure July - actual closure end of December (staff exit next financial year)

- Need to mothball from 31st December
- Still looking to market site to alternative delivery provider – so appointment of agents still required
- Staff could be served notice Oct
- Risk of grant clawback. Cancellation payments for weddings etc required but reduced (summer weddings next year)

# Commercial Case

# ● Procurement Strategy and Required Services



No procurement requirement identified; however, a review of existing commercial arrangements has been included as part of the Outline Business Case review.

# Finance Case



# Financial case – Llancaiach Fawr Manor

Reflecting grant update



Option	NPV 2024/25 to 2029/30	Benefits: Cost ratio	MTC Savings Target 2024/25	MTC Saving 2025/26	MTC Saving 2026/27	MTC Saving 2027/28	Total Budget Savings (Excluding One off Costs)	One off costs
1. Consult July 24 Seamless alternative delivery model	(£1,751,834)	6.46	£0	(£363,750)	(£121,250)	£0	(£485,000)	£320,817
2. Consult July 24 Mothball end of October 24	(£1,237,563)	2.38	£0	(£453,849)	(£31,151)	£0	(£485,000)	£922,140
3. Consult July 24 Mothball end of December 24 <small>(staff exit next financial year)</small>	(£1,156,357)	2.36	£0	(£343,416)	(£141,584)	£0	(£485,000)	£906,463
4. Consult July 24 Mothball end of December 24 <small>(staff exit this financial year)</small>	(£1,243,273)	2.44	£0	(£444,949)	(£40,052)	£0	(£485,000)	£907,830
5. Consult Nov 24 as part of Budget Mothball end of March 25	(£1,083,247)	2.34	£0	(£178,507)	(£306,493)	£0	(£485,000)	£820,240

# Management Case



# Governance Arrangements

Change approvals process managed by the Portfolio Management Office



Name and Role	Responsibilities
Allan Dallimore Project Sponsor	<ul style="list-style-type: none"> <li>• Champions the change and maintains awareness at senior level</li> <li>• Ensuring return on investment and Value for Money</li> <li>• Owns the Business Case - sole accountability</li> <li>• Accountable for the delivery of planned benefits</li> <li>• Lead change management required to deliver successful outcomes</li> <li>• Delegates responsibility to Service Manager where applicable</li> </ul>
Tim Daley MTC Programme Manager	<ul style="list-style-type: none"> <li>• Leads and manages stakeholder engagement</li> <li>• Manages expectations and providing regular updates on the progress</li> <li>• Oversees the execution of the workstream plan ensuring delivery is on time, within budget, and to the required quality standards</li> </ul>
Temp Replacement Service Manager (previously Eloise Tong)	<ul style="list-style-type: none"> <li>• Provides leadership and direction on all aspects of the service development and held accountable to SRO</li> <li>• Oversee service redesign and subsequent operational delivery</li> <li>• Monitors and reports on progress and be empowered to deliver on all aspects</li> </ul>
Antony Bolter / Paul Hudson Project Lead	<ul style="list-style-type: none"> <li>• Co-ordinates workstream - responsible for delivery and progress whilst managing and escalating associated impacts and risks</li> </ul>
Paula Beaman Finance Lead	<ul style="list-style-type: none"> <li>• Responsible for tracking financial and other benefits relating to the project</li> </ul>
Lisa Downey HR Lead	<ul style="list-style-type: none"> <li>• Lead contact for any staffing changes/reductions</li> </ul>
Hayley Lancaster / Sarena Ford Engagement/Communication Leads	<ul style="list-style-type: none"> <li>• Lead contact for communication, engagement and consultation for the project</li> </ul>
Hayley Clarke Procurement Lead	<ul style="list-style-type: none"> <li>• Lead contact for procurement</li> </ul>



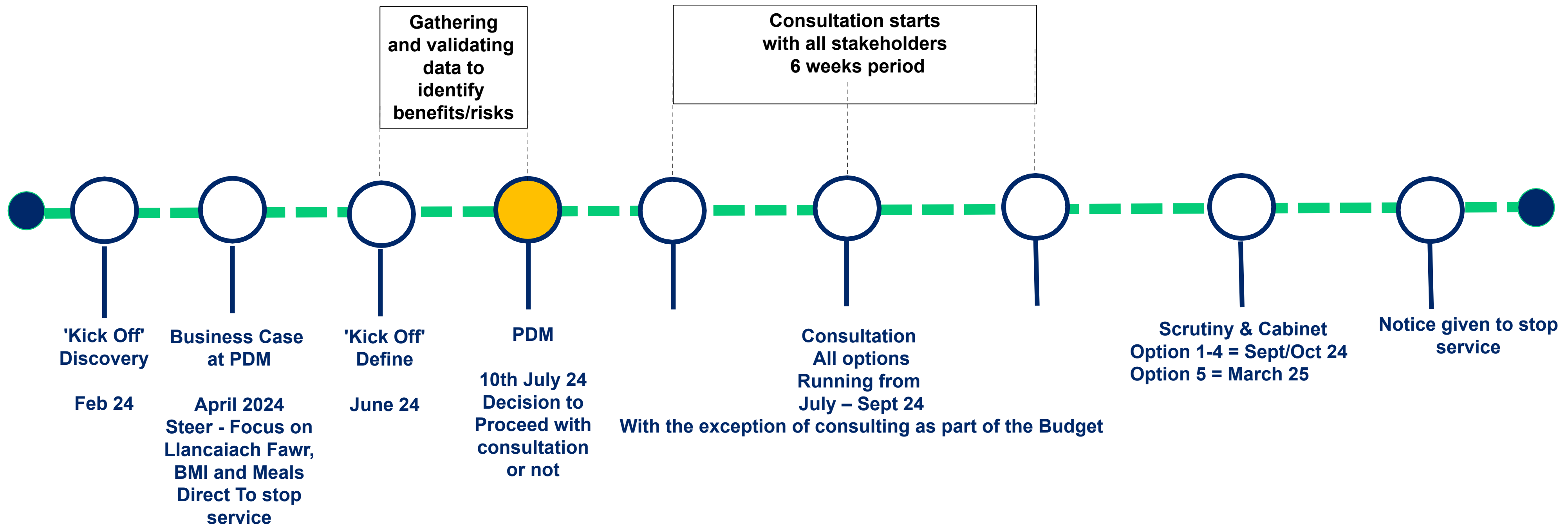
# Project Roadmap



Feb 24

April 25

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# Project Controls



Include a summary of the key project controls. These typically include:

- Change management arrangements - Lead by the PMO and Service transformation
- Benefits realisation arrangements - Lead by the PMO and Finance
- Risk management arrangements - Lead by the PMO as the escalation route but defined by project lead and sponsor
- Post-implementation and evaluation arrangements - Lead by PMO and Finance
- Contingency arrangements and plans - Monitored by the PMO with input from project lead, sponsor and service area



## Caerphilly County Borough Council

# Consultation Report on the proposal to withdraw the subsidy and mothball Blackwood Miners' Institute and to Mothball Llancaiach Fawr Manor from end of December 2024

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## **Background**

Caerphilly County Borough Council, like many other local authorities across Wales, is facing a huge financial challenge over the next few years and difficult decisions will need to be made to balance the budget.

The council must deliver savings in the region of £45million over the next two financial years and this is on top of the £20million of permanent savings that have already been identified.

The council is unable to continue to run services in the same way and need to explore all options and consider ways of doing things differently.

### **Llancaiach Fawr Manor**

The council currently provides a subsidy of **£485,000** a year to run the venue.

The venue currently employs 20 members of staff (including one vacant post) equal to 13.5 FTEs, plus 14 casual officers. Should any proposal be agreed following consideration of the public consultation feedback, colleagues employed at the venue would be supported through existing council HR policies.

The council is proposing to 'mothball' Llancaiach Fawr at the end of December 2024 and will explore options for the facility to be run in a different way in the future. If agreed, this proposal would allow the council to make full in-year savings for 2025/26 while continuing to try and establish alternative providers for the facility.

### **Blackwood Miners Institute**

The council currently provides a subsidy of **£347,000** per year to run Blackwood Miners Institute.

The venue currently employs 9 members of staff, plus 16 casual officers. Should any proposal be agreed following consideration of the public consultation feedback, colleagues employed at the venue would be supported through existing council HR policies.

The council is proposing to withdraw its subsidy, which could see the venue mothballed at the end of December 2024. The authority would then explore options for the facility to be run in a different way in the future. If supported, this proposal would allow the council to make full in-year savings for 2025/26.

## **Purpose**

This consultation has been conducted to seek the views of residents and stakeholders in relation to two proposals:

- to 'mothball' Llancaiach Fawr at the end of December 2024 and explore options for the facility to be run in a different way in the future.
- to withdraw its subsidy, which could see the venue mothballed at the end of December 2024. The authority would then explore options for the facility to be run in a different way in the future.

An initial Integrated Impact Assessment (IIA) was drafted for both venue proposals and can be found at <https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>

The IIA will be updated following completion of the consultation.

## **Methodology (What we did)**

The consultation ran for a 6 week period from Tuesday 30<sup>th</sup> July to Tuesday 10<sup>th</sup> September 2024. The consultation was widely promoted to enable all those who wished to give their views an opportunity to take part:

- A dedicated web page linked directly from the home page of the Council's website <https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>
- Posters displayed in Blackwood Miners Institute, Llancaiach Fawr, libraries and other public facing Council venues. The posters promoted the drop-in engagement sessions and a link to the online

platform where additional supporting information and the survey could be found (in both online and printable format).

- Media and social media releases at the launch of the consultation and throughout the consultation period, including via NewsOnline (the council’s e-mail newsletter) There were 9 Facebook posts on the council’s Facebook page during the consultation period eliciting 168 comments. This was shared widely by Blackwood Miner’s Institute and local community groups including Friends of Llancaiach Fawr and others
- Targeted e-mails to stakeholder groups across the borough (please see Annex on the website for more details) <https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>

The primary consultation tool was a questionnaire however, participants were encouraged to respond in a number of ways.

## Questionnaire

The survey questionnaire was made available bilingually online (as outlined above) and in paper format available for printing from the council website, from libraries and on request via e-mail or over the phone.

A copy of the survey can be found here: <https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>

## Face to face engagement

Four face to face drop in sessions took place at venues close to both Blackwood Miners Institute and Llancaiach Fawr:

### Drop in sessions

Venue	Date and time	Number of attendees
Blackwood Library	Tuesday 13th August 2024 (4-6pm)	70+
Nelson Library	Wednesday 21st August 2024 (4-6pm)	54
Gelligaer Community Centre	Thursday 5th September 2024 (5:30 - 7:30pm)	18
Blackwood Library	Saturday 7th September (11:30am - 1:30pm)	25

Two online drop-in sessions were also arranged:

Date	Number of attendees
Thursday 15th August 2024 (4:30 - 6:30pm)	6
Tuesday 20th August 2024 (2:30 - 2:30pm)	5

### Two petitions have been received:

- Petition no 271 received 9 September 2024 from the “Friends of Llancaiach Fawr” with 9198 to save Llancaiach Fawr Manor (including 3168 signatures and 6030 to the online petition)
- Petition no 272 received 10 September 2024 to save Blackwood Miner’s Institute from Cllr Kevin Etheridge and George Etheridge with over 6000 responses including online.

Responses received via letter/e-mail are contained within the Annexes of this report.

The key themes expressed via other engagement mechanisms reflect closely those of the survey and are incorporated into the summary of Key Findings.

## Results/Key Findings

*Note: The statistical data (percentages) presented within this report relates to survey responses only. The number of responses received for individual questions may be lower than the total number of completed questionnaires returned. Percentages are therefore based on the number of responses to individual questions (n=number of responses) and not necessarily the number of completed surveys received.*

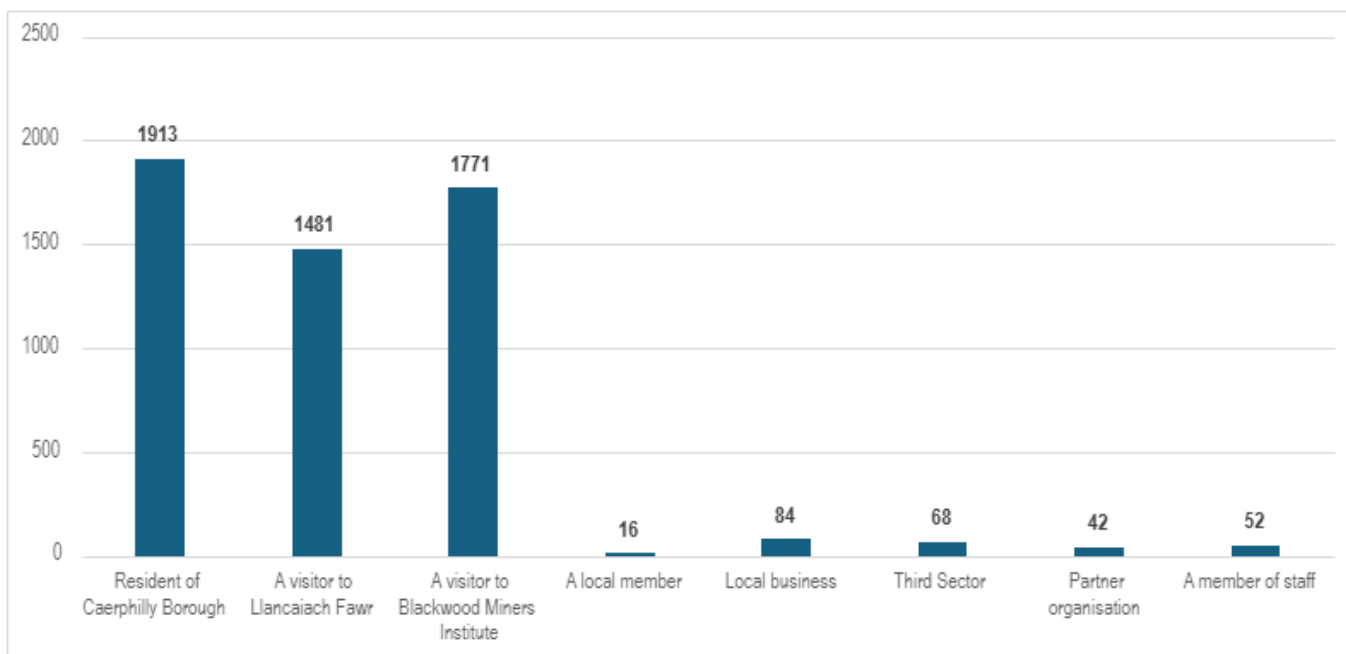
*Qualitative analysis incorporates both the open-ended responses to the survey **as well as** the qualitative feedback from conversations, e-mails, letters and other written comments. **Participation in the consultation was self-selecting. The data should be considered within this context.***

A small number of surveys (6) received after the closing date have not been included in the analysis below but all disagreed with both proposals.

### Respondent profile

**2726** completed surveys were received by the closing date. As shown in **Graph 1**, the largest proportion of respondents were residents of Caerphilly county borough and those who visit the venues. Note: respondents were able to select more than one response to this question.

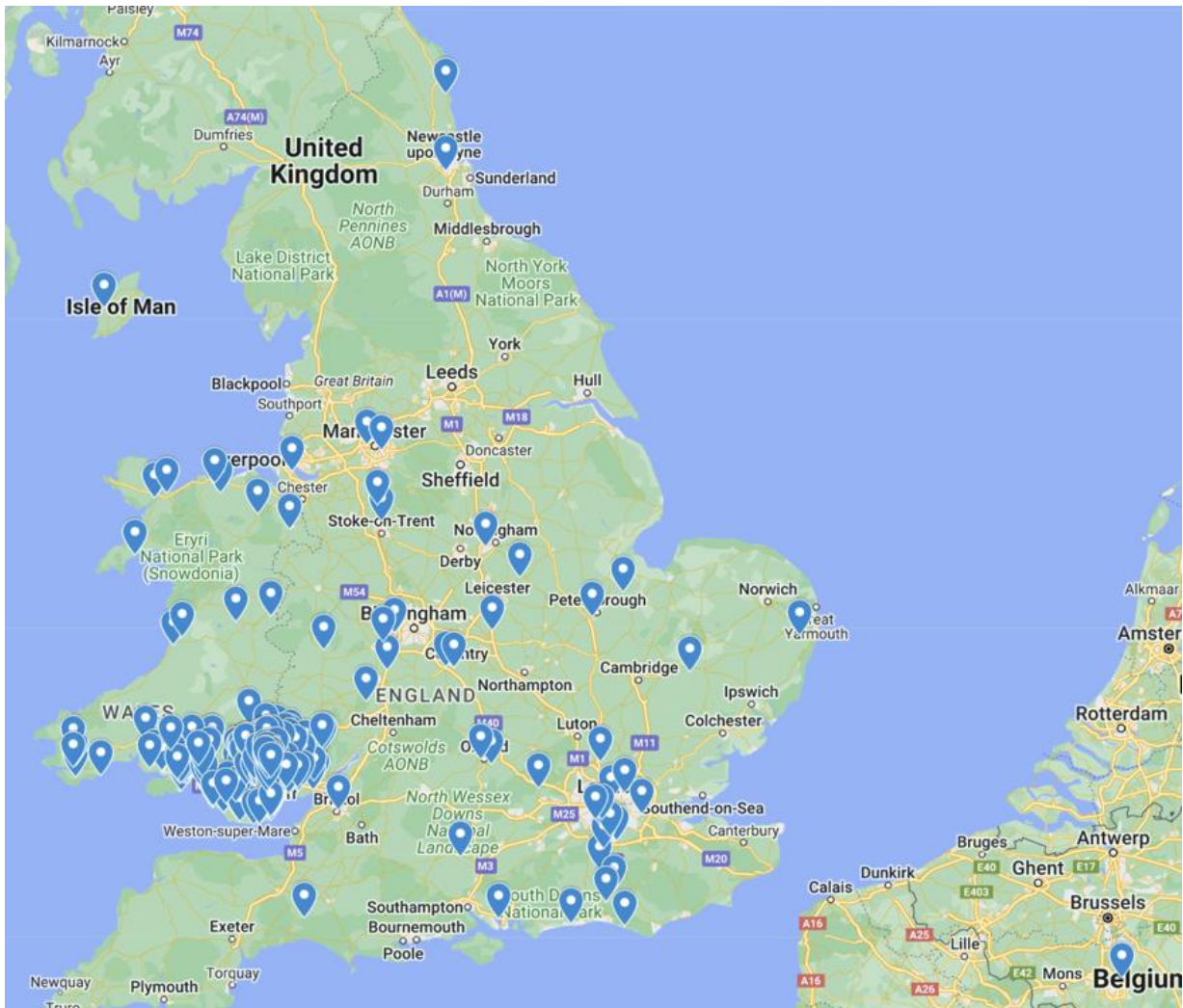
**Graph 1: Interest in the consultation (multiple answers possible)**





Map 1 highlights that while the largest proportion of respondents were residents of the borough and south Wales more widely, the consultation reached and was responded to by visitors and interested stakeholders from further afield.

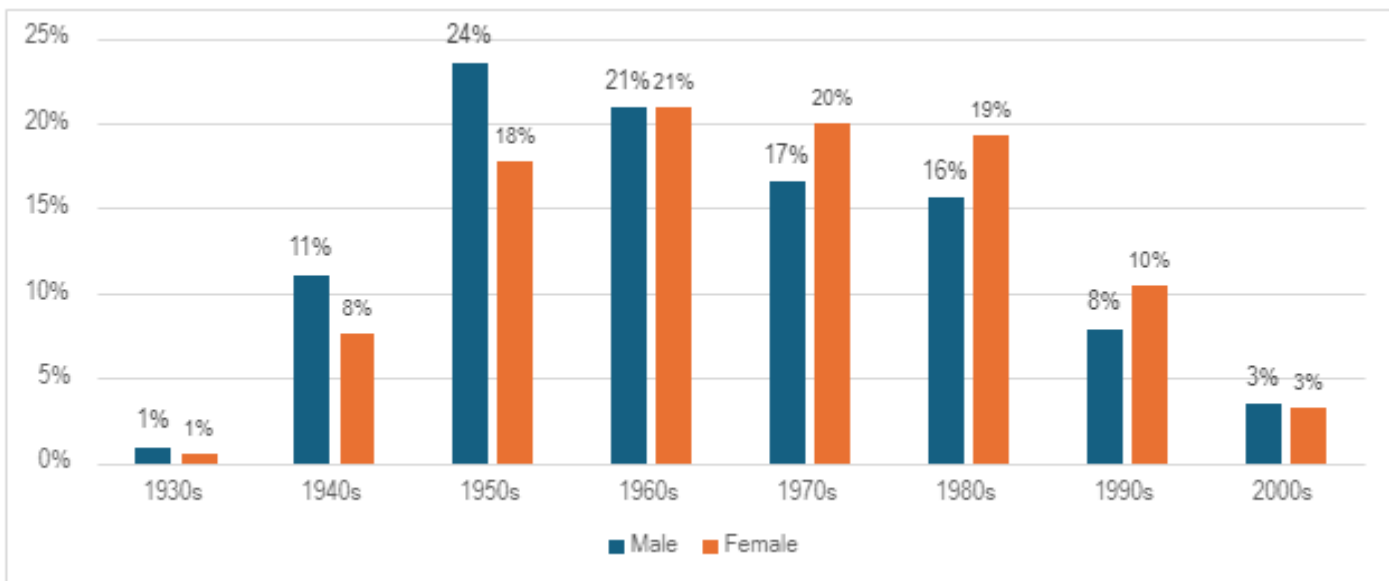
Map 1: Geographical distribution of respondents





**Graph 2** provides a breakdown of the age and gender profile of survey respondents. More than two thirds of those who responded to the survey were female. A higher proportion of respondents born before 1950 were men whilst a higher proportion of respondents born after 1970 were female.

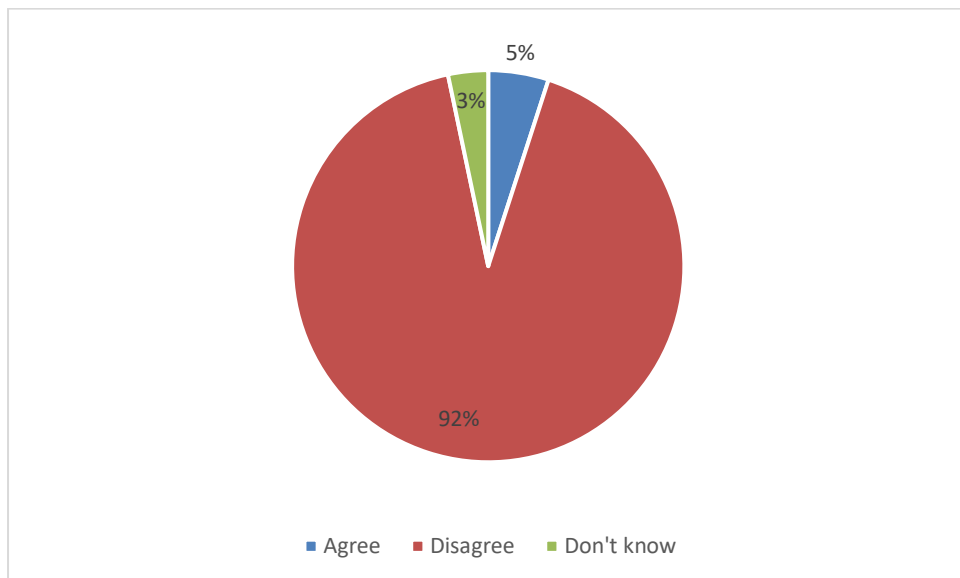
**Graph 2: Age and gender profile of respondents (n male = 750; n female = 1633)**



## Llancaiach Fawr

Of those who responded to the question, **92% disagreed with the proposal** to remove the subsidy for Llancaiach Fawr and mothball the venue from December 2024 (see **Graph 3**).

**Graph 3 Do you agree or disagree with the proposal to remove the subsidy for Llancaiach Fawr from December 2024? (n=1848)**



The main reasons given for **disagreeing** with the proposal can be themed:

- Its unique nature and importance as a historical/heritage venue
  - Attracting tourists/visitors
  - Contributing to education with a focus on young people
- As a facility for local community
- Economic benefits of visitors on the local economy
- CCBC can make savings in other ways
  - Some things are more important than money

- The proposal will not make a significant impact on savings targets
- If it is "mothballed" it won't reopen – the subsidy should be retained until an alternative is found
- What alternative options have been considered?
  - The site could be promoted and marketed more effectively to increase income
  - It could be used for something else
- Don't want staff to lose their jobs
- Depends on what alternative use of site might be
- Understand savings need to be made but...
  - A disproportionate amount of money going to Caerphilly town
  - Need to keep facilities in the north of the borough

A number of people felt that more information was needed to help them understand the proposal and comment. They felt that more information on alternative models and detail on income and costs were needed before they could fully give their views.

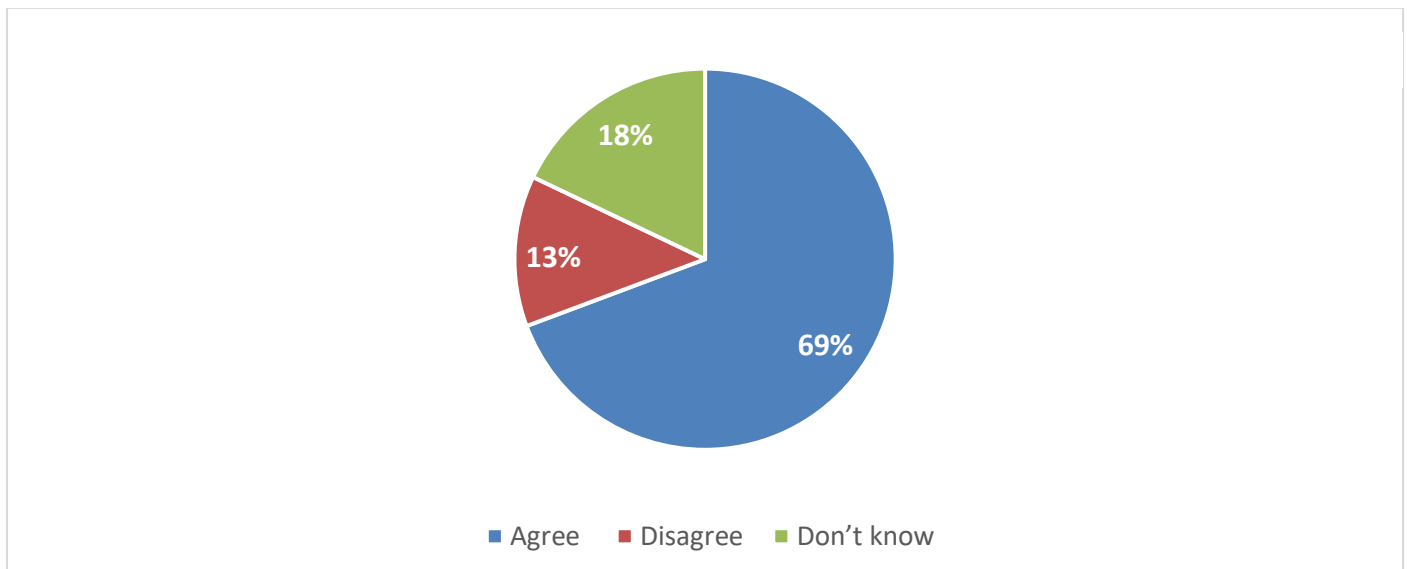
Main reasons given for **agreeing** with the proposal

- Non-essential service - prioritise essential services
- Level of subsidy is too high
  - Do not subsidise/subsidy is too much/should be self-sustaining
- Would agree if an alternative can be found

### Level of subsidy

Respondent were asked whether they agree or disagree with the level of subsidy for Lancaiach Fawr (£485,000 per annum). As highlighted in **Graph 4**, 69% agreed with the subsidy level while 13% disagreed and 18% "don't know".

**Graph 4: Level of subsidy. Percentage of respondents who agreed/disagreed with the level of subsidy (n=1837)**



The main reasons given for supporting the subsidy were:

- That the subsidy is (relatively) small
- It is important to recognise wider benefits to the community and local area as outlined in response to the question above.

The main reasons given for disagreeing with this level of subsidy were:

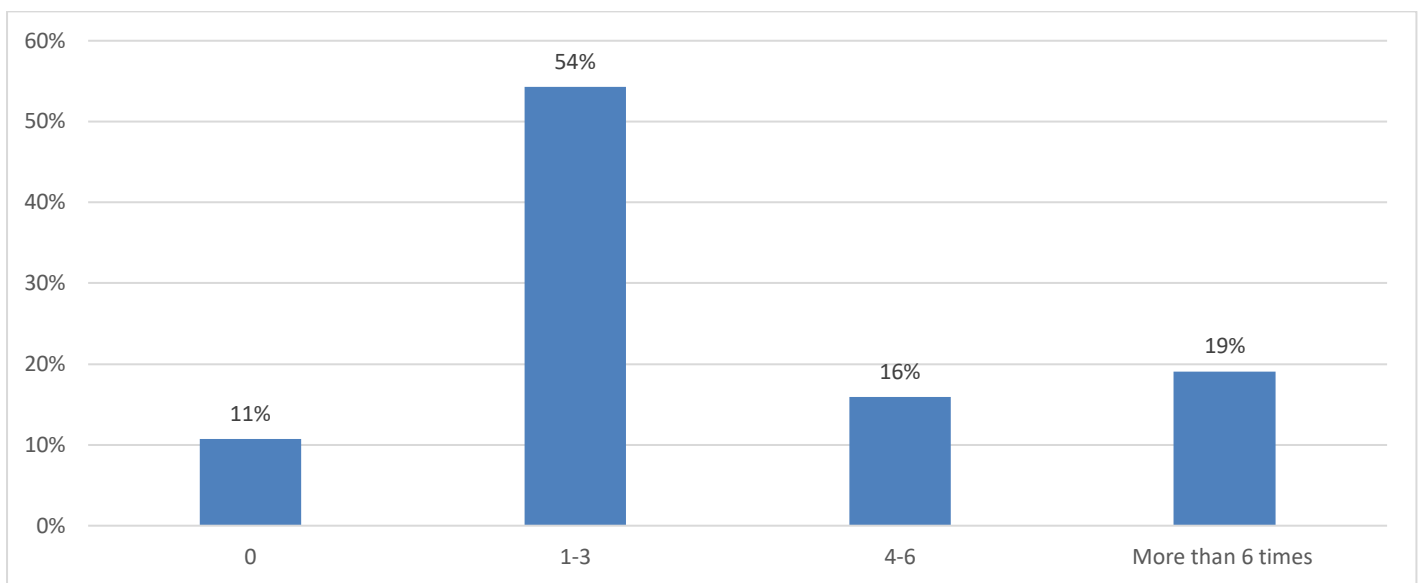
- The council should prioritise essential services
- The venue should be run more efficiently – there is an income – this should be sufficient if run effectively

- The subsidy is too high if usage is low
- Money could be saved by making more use of volunteers
- The venue could be run by the private sector/a charity or trust or with partners (voluntary and other organisations)

For those who indicated that they “don’t know”, a key factor was the lack of detail in relation to income/expenditure relating to the venue and a breakdown of costs that would allow them to understand more about why the subsidy is needed etc

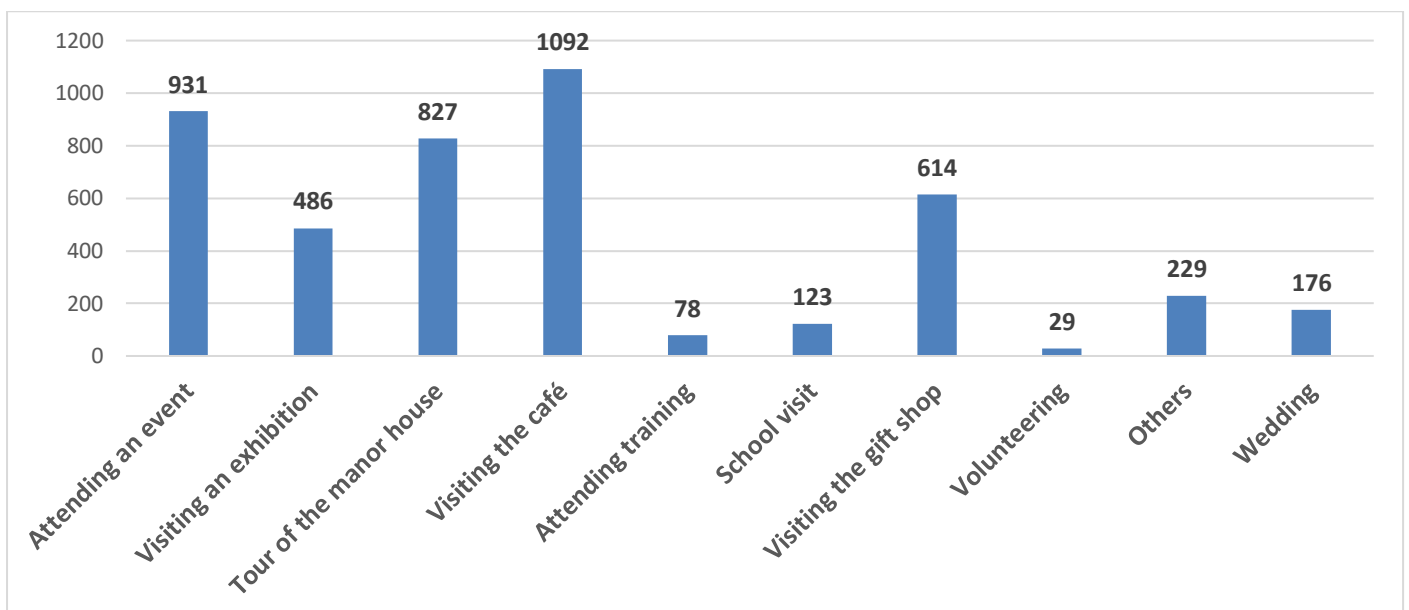
To help understand the potential impact of the proposal to mothball Llancaiach Fawr from December 2024, survey respondents were asked to share how often they have visited the venue in the last 12 months. The majority (89%) of those who responded to the survey had visited Llancaiach Fawr in the last 12 months (see **Graph 5**).

**Graph 5: How many times have you visited Llancaiach Fawr in the last 12 months (n=1834)?**



By far, the most frequent reasons for visiting Llancaiach Fawr were the café and attending events (see **Graph 6**). A tour of the Manor House was the third most popular reason for visiting. Visiting an exhibition and the gift shop were also popular reasons to visit.

**Graph 6: Reasons for visit to Llancaiach Fawr (multiple responses were possible)**



## Impact of the proposal on you and your family

Key themes emerging with respect to the negative impact of this proposal include:

- Impact on access to history and local heritage
- Impact on local economy through a reduction in visitors to the area who, in turn, spend money locally
- Some who visit infrequently indicated that the impact would be relatively small but those who live more locally and visit regularly felt the impact would be great
  - Several groups noted that they would need to find alternative venues for meetings and exhibitions.
  - There would be a particular impact on Welsh speaking groups who use the venue for a range of regular activities, and Arts groups who also use the venue for exhibitions.
  - A number of people who had attended weddings at the venue felt that this proposal would be a great loss
- Impact on education (for children and young people in particular)
- Loss of a suitable venue for events

Some respondents perceived a greater impact on them due to their protected characteristics, in particular:

- Disability – Llancaich Fawr is an accessible venue
- Welsh Language – Welsh language groups use the venue for a wide range of events/meetings
- Age – older people enjoy the accessible venue
- Impact on mental health e.g. visitors using the garden
- Armed Forces Veterans
- Religion
- Gender
- Marital status – unable to get married at the venue

**20%** felt that the proposal will treat the Welsh language less favourably than the English language. The remainder either said “no” or left the question blank.

As noted above, there is a potential socio-economic impact

- Staff (job losses)
- Loss of income from the local economy and
- The need for people to travel further

## Mitigation

Reflecting previous comments, the following themes were identified in relation to how the proposal could be mitigated. By far the preferred suggestion was to keep the venue open. Others felt strongly that more time should be given to allow for alternatives to be put in place. Others felt that the subsidy could be reduced but not removed and a number of suggestions were made regarding running the venue more efficiently and increasing income:

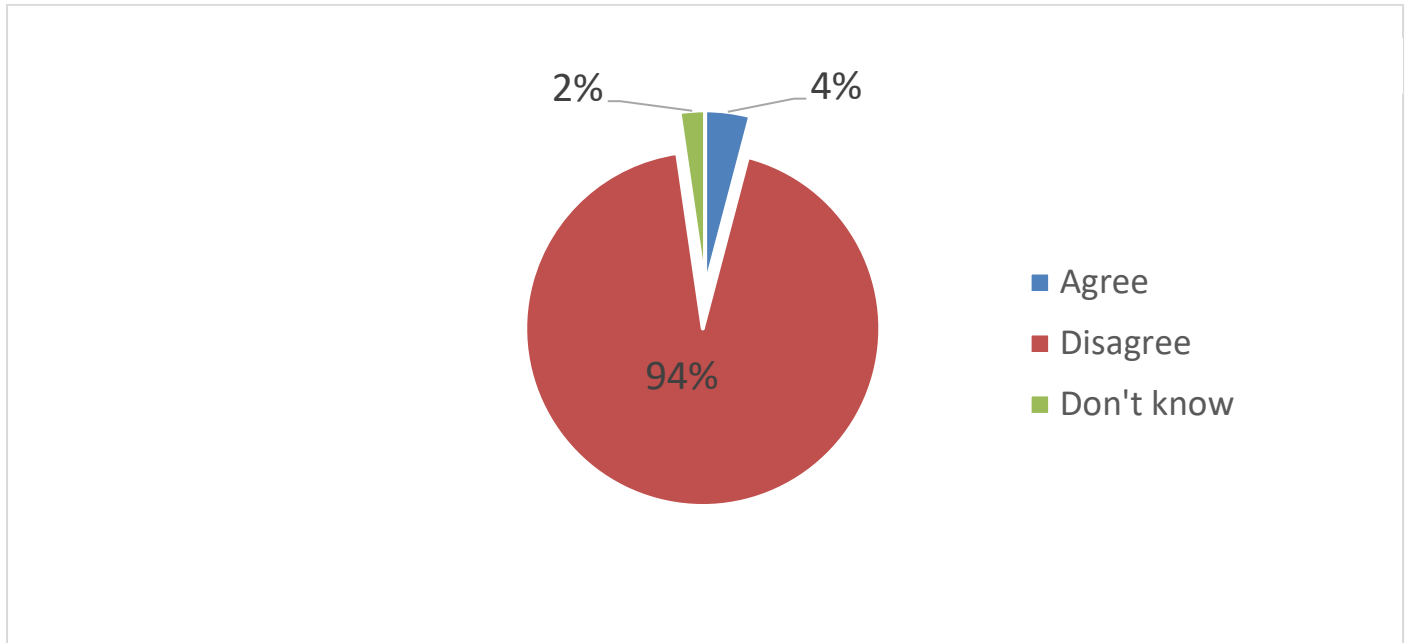
- Make more use of volunteers/work with voluntary sector
- Increase income
  - small increase in charge
  - widen the offer
  - improve marketing and promotion
- Reduce/limit opening hours
- Private investment
- Identify additional income sources (external)
- Find savings elsewhere in the council
- Learn from other venues
- Focus on one flagship venue

# Blackwood Miner's Institute

## Respondent views and emerging themes

Of those who responded (n=2171), **94% disagreed** whilst 4% agreed with the proposal to remove the subsidy for Blackwood Miners Institute in December 2024 (See **Graph 7**).

**Graph 7: Do you agree or disagree with the proposal to withdraw the subsidy from Blackwood Miner's Institute at the end of December 2024 (n=2171)**



The main reasons given for disagreeing with the proposal are themed:

- Arts and culture is so important
  - It is the only professional arts venue in the borough
  - It is unique
- As a facility for local community.
  - It was funded by the miners and is part of the heritage of the area/belongs to the community
  - Some things are more important than money
  -
- Impact on local economy through a reduction in visitors to the area who, in turn, spend money locally
  - Attracts tourists/visitors
  - Greater Blackwood Master Plan
  - Night time economy
- If it is "mothballed" it won't reopen – the subsidy should be retained to support the venue until an alternative is found/venue becomes self-sustaining
  - Better marketing and promotion
  - Increase income
- Don't want staff to lose their jobs
- Understand savings need to be made but....
  - The council can save money in other ways
  - Proposal will not make a significant impact on savings targets
  - A disproportionate amount of money going to Caerphilly town
  - Need to keep facilities in the north of the borough

As with Llancaiach Fawr, a number of people felt that more information was needed to help them understand the proposal and comment. They felt that more information on alternative models and detail on income and costs were needed before they could fully give their views.

A small number said that they would agree with the proposal if an alternative can be found.

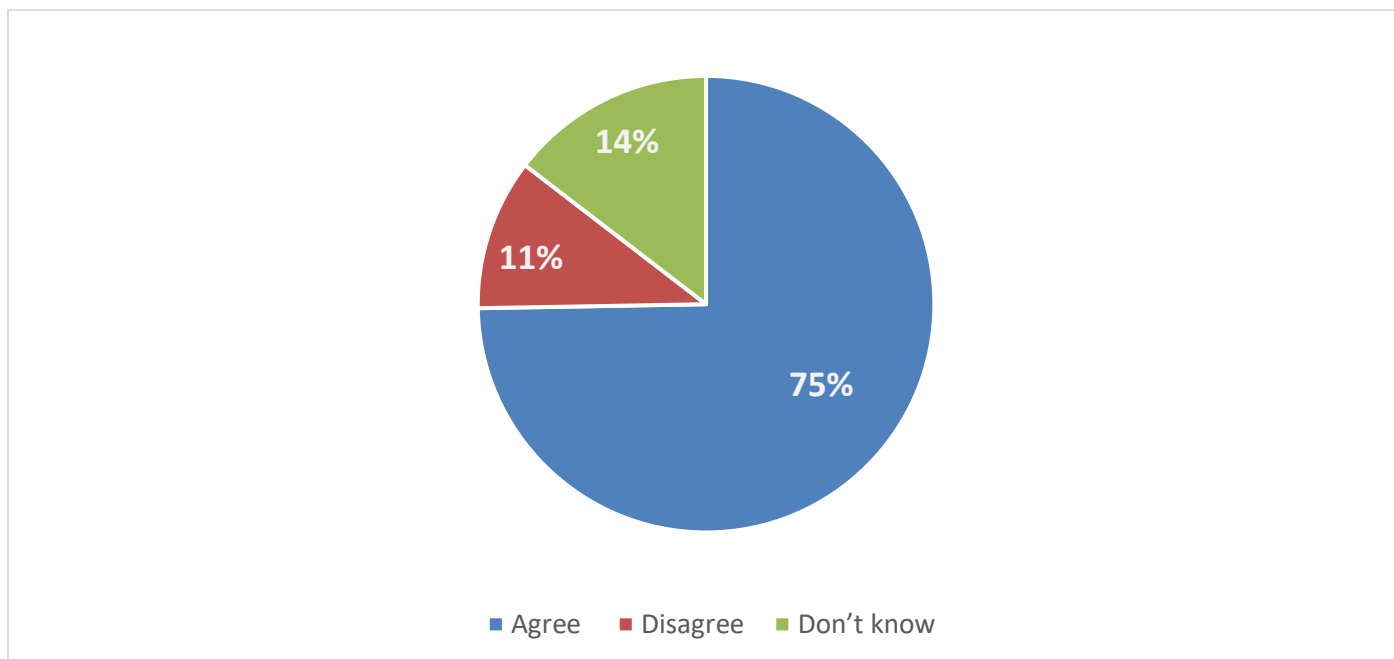
Others felt that as a non-essential service, the venue needs to be self-sustaining and the council should focus on other areas.

**Do you agree or disagree with the annual subsidy of £347,000 provided to Blackwood Miner’s Institute?**

75% agree that with the subsidy , 14% indicated that they “don’t know” and a further 11% disagreed.

A number respondents felt that they were unable to give a view in relation to the level of subsidy as they had not been provided with enough detail in relation to income and costs of running the venue.

**Graph 8: Do you agree or disagree with the annual subsidy of £347,000 provided to Blackwood Miner’s Institute? (n=2140)**



The main reasons for **agreeing** that the subsidy should remain were:

- The subsidy is (relatively) small
- Recognise wider benefits to the community as highlighted in previous comments

The main reasons for **disagreeing** that the subsidy should remain were

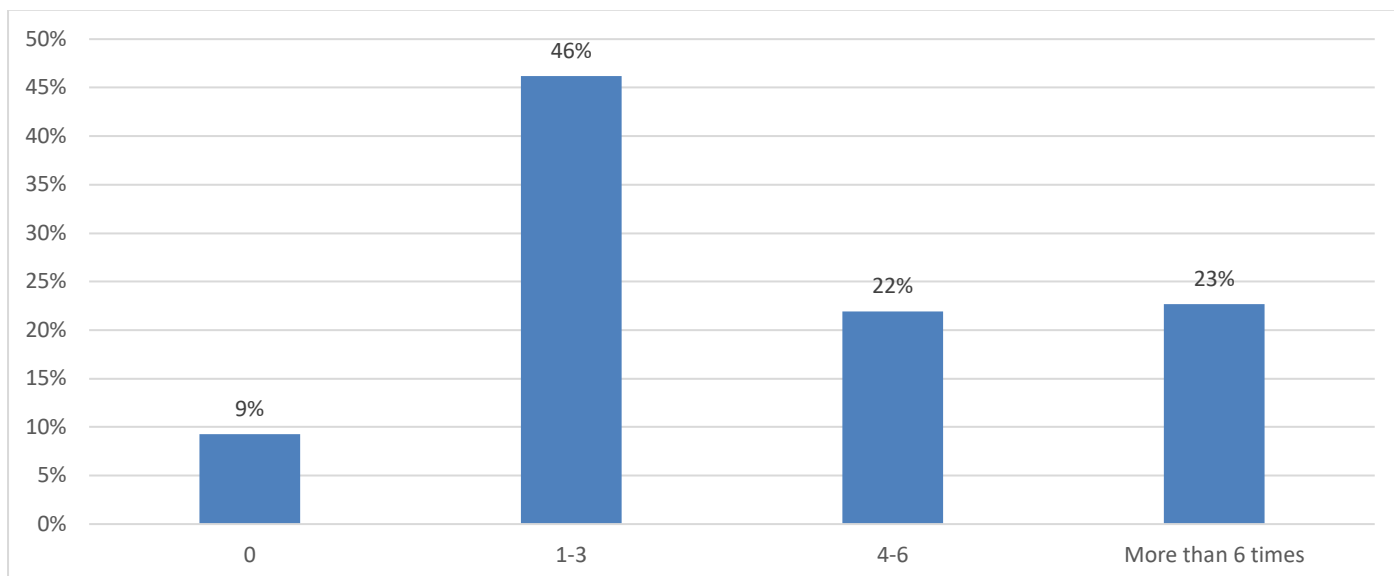
- The Council should prioritise essential services
- The venue should be run more efficiently
- Could be run by the private sector
- The council should work with partners
- The subsidy too high if usage is low
- More use of volunteers would reduce costs

For context in understanding the potential impact of the proposal to mothball Blackwood Miners Institute from December 2024, survey respondents were asked to share how often they have visited the venue in the last 12 months. The majority (91%) of those who responded to the survey had visited Blackwood Miner’s Institute in the last 12 months (see **Graph 9**).

**Support for local community groups (n=2079)**

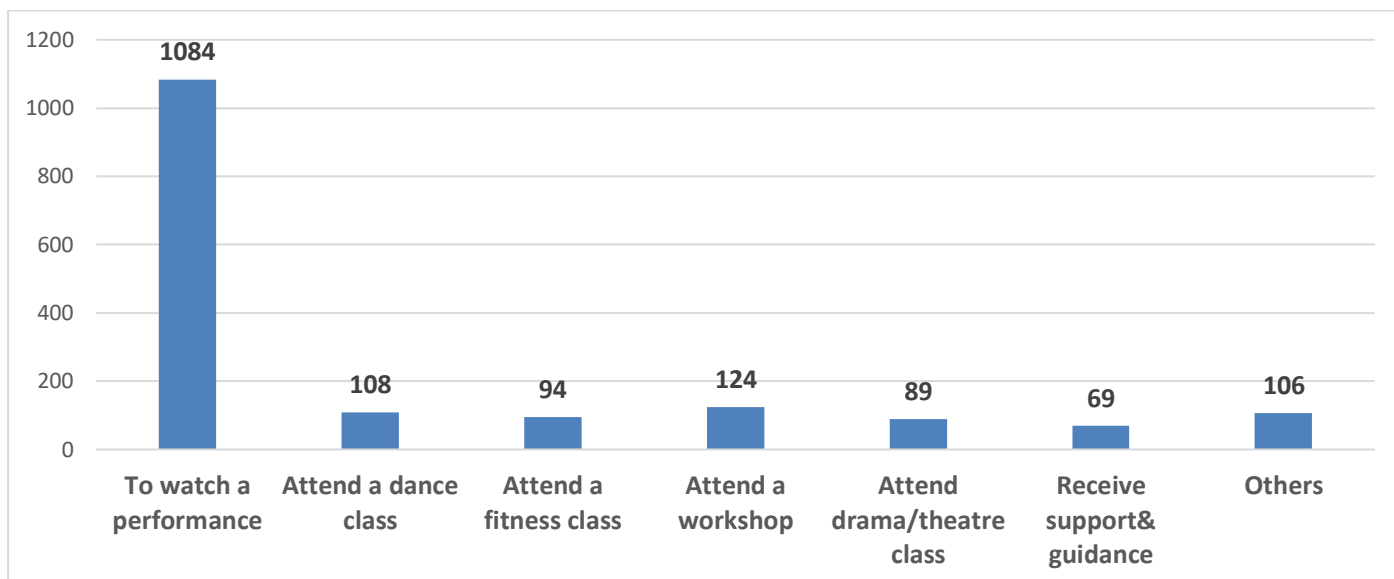
64% of respondents to this question agree that the council should support community groups who’d be interested in taking over the venue. 11% disagree and 26% don’t know.

**Graph 9: Visits in the last 12 months (n=2151)**



As shown in **Graph 10** the main reasons for visiting Blackwood Miner’s Institute amongst respondents was (by far) attending a performance. As expected, the frequency of visits is higher for those attending regular classes compared to watching a performance.

**Graph 10: Reasons for visiting Blackwood Miner’s Institute (more than one response possible)**



**Impact on you and your family**

Key themes emerging with respect to the negative impact of this proposal include:

- Impact on access to arts and culture as the venue is the only one of its kind in the local area “unique” (other venues do not offer like for like)
- Impact on local economy through a reduction in visitors to the area who, in turn, spend money locally
  - Impact on the night time economy
  - Links to the Greater Blackwood Master Plan
- Locally, the venue is used by a number of groups who noted that they would need to find alternative venues for classes and workshops.

- There is a greater cost associated with visiting larger venues further afield
  - Lack of public transport and the cost of public transport would make alternatives out of reach
- Impact on Welsh language – **18%** felt that the proposal would treat the Welsh language less favourably. The remainder either left the question unanswered or said “no”.
  - There would be a particular impact on Welsh speaking groups who use the venue for a range of regular activities, and Arts groups who also use the venue for exhibitions.
  - A number of people who had attended weddings at the venue felt that this proposal would be a great loss
- Loss of a suitable venue for events

Some respondents perceived a greater impact on them due to their protected characteristics, in particular:

- Disability
- Welsh Language – loss of Welsh language performances
- Age – dance classes and other classes for both young and older people
- Impact on mental health if unable to visit, social interaction by attending classes also linked to adverse childhood experiences
- Gender – the dance class is attended mostly by girls
- Race – ability to see diverse performances that reflect cultural heritage
- Sexual orientation – Diverse performances including LGBT friendly performances

As noted above, there is a potential socio-economic impact

- Staff (job losses)
- Loss of income from the local economy and
- The need for people to travel further

## Mitigation

Reflecting previous comments, the following themes were identified in relation to how the proposal could be mitigated. By far the preferred suggestion was to keep the venue open. Others felt strongly that more time should be given to allow for alternatives to be put in place. Others felt that the subsidy could be reduced but not removed and a number of suggestions were made regarding running the venue more efficiently and increasing income:

- Make more use of volunteers/work with voluntary sector
- Increase income
  - small increase in charge
  - widen the offer
  - improve marketing and promotion
- Reduce/limit opening hours/days
- Identify additional income sources (external funding as a charity)
- Find savings elsewhere in the council
- Learn from other venues

‘it’s important to support the arts.’

‘gives opportunities for young and old people to showcase their talents and for the local community to come together to support them.’

‘It’s a fantastic venue, offering such a variety of performances . These shows being in so much money to the local economy.’

‘This building has historical importance which should be preserved’.

‘A phased reduction in subsidy and working with the theatre to find alternative funding so the community isn't cut off straight away’, ‘

A full digest of the responses received can be found **Page 94 2.**



## **Next steps**

The outcomes of the consultation will be considered through the Mobilising Team Caerphilly governance structure.

The full list of comments received can be found at <https://conversation.caerphilly.gov.uk/blackwood-miners-institute-and-llancaiach-fawr>

## **List of annexes**

Annex 1: Feedback from interested parties

Annex 2: Digest of comments received through survey

Annex 3: Feedback from drop-in sessions

Annex 4: Social media feedback

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**Appendix 3 – Financial Case for Llancaiach Fawr Manor**

<b>OPTION</b>	<b>NPV 2024/25 to 2029/30</b>	<b>Benefits Cost Ratio</b>	<b>MTC Savings Target 2024/25</b>	<b>MTC Saving 2025/26</b>	<b>MTC Saving 2026/27</b>	<b>MTC Saving 2027/28</b>	<b>Total Budget Savings (Excluding one-off costs)</b>	<b>One-off costs</b>
1) consult on a seamless transition	(£1,751,834)	6.46	£0	(£363,750)	(£121,250)	£0	(£485,000)	£320,817
2) consult July 24 – mothball end of Oct 24	(£1,237,563)	2.38	£0	(£453,849)	(£31,151)	£0	(£485,000)	£922,140
3) consult July 24 – mothball end of Dec 24 (staff exit next financial year)	(£1,156,357)	2.36	£0	(£343,416)	(£141,584)	£0	(£485,000)	£906,463
4) consult July 24 – mothball end of Dec 24 (staff exit this financial year)	(£1,243,273)	2.44	£0	(£444,949)	(£40,052)	£0	(£485,000)	£907,830
5) consult as part of budget – mothball March 25	(£1,083,247)	2.34	£0	(£178,507)	(£306,493)	£0	(£485,000)	£820,240

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