



CABINET

**FOLLOWING CABINET SCRUTINY COMMITTEE
THURSDAY , 19th January 2023**

**MULTI-LOCATION MEETING – COUNCIL CHAMBER PORT TALBOT
AND MICROSOFT TEAMS**

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Part 1

1. Appointment of Chairperson
2. Chairpersons Announcement/s
3. Declarations of Interest
4. Public Question Time
Questions must be submitted in writing to Democratic Services, democratic.services@npt.gov.uk no later than noon on the working day prior to the meeting. Questions must relate to items on the agenda. Questions will be dealt with in a 10 minute period.
5. 2023/2024 Budget proposals for consultation (*Pages 3 - 56*)
6. UK Shared Prosperity Fund - Approval of Strategic 'Anchor' Projects (*Pages 57 - 146*)

7. Urgent Items
Any urgent items (whether public or exempt) at the discretion of the Chairperson pursuant to Statutory Instrument 2001 No. 2290 (as amended).
8. Access to Meetings - Exclusion of the Public (*Pages 147 - 152*)
To resolve to exclude the public for the following items pursuant to Regulation 4 (3) and (5) of Statutory Instrument 2001 No. 2290 and the relevant exempt paragraph 14 of Part 4 of Schedule 12A to the Local Government Act 1972.

Part 2

9. UK Shared Prosperity Fund - Approval of Strategic 'Anchor' Projects (Appendix 3) (Exempt Under Paragraph 14) (*Pages 153 - 808*)

K.Jones
Chief Executive

Civic Centre
Port Talbot

Friday, 13 January 2023

Cabinet Members:

Councillors. S.K.Hunt, S.A.Knoyle, N.Jenkins, D.M.Peters, J.Hurley, S.Harris, J.Hale, A.Llewelyn, W.F.Griffiths and S.Jones

Neath Port Talbot County Borough Council

Cabinet

Report of the Corporate Directors Group

19th January 2023

Matter for decision

Wards affected – All

2023/24 Budget proposals for consultation

Purpose of Report

To seek Cabinet approval to consult on the draft budget proposals for 2023/24.

To confirm that due to the timing of the provisional local government settlement, a short consultation will take place to the 10th February 2023. Responses provided will be reviewed prior to presenting a final budget for 2023/24 at Cabinet and Council on 1st and 2nd March respectively.

Introduction

Today's report does not seek final decisions from the Executive. The aim of this report is to seek approval to go out to consultation and listen to the views of stakeholders in relation to the issues set out in this report. Final decisions on setting the Council's 2023/24 Budget will be required to be taken on 1st and 2nd March 2023.

Background

The Public Sector has faced a sustained period of real term reductions in funding levels for over ten years with Neath Port Talbot Council securing reductions in the revenue budget of circa £90 million in real terms since 2008. As well as finding genuine efficiencies and economies in the cost of services and functions, as has been the case in other

councils, the scale of austerity measures imposed by the UK Government has also seen deep cuts in services and jobs, particularly in those services delivered under discretionary powers.

When the Council set its budget for 2022/23 it appeared that the immediate future looked more settled. An increase in funding through the Local Government Settlement of 8.8% for 2022/23 followed by indicative allocations of 3.5% for 2023/24 and 2.4% for 2024/25 meant that for the first time in a long time the Council had an idea of the resources available to it for a three year period and could plan with a greater degree of certainty.

As a result of the 8.8% settlement, the Council was able to target investment at the recovery plans that were developed in 2021-22 and did not consider it necessary to increase council tax in 2022-23 to fund Council services. The Council was also able to allocate £2 million into a specific reserve to address the developing concerns at the time around cost of living.

However, within weeks of agreeing the 2022/23 budget, Russia invaded Ukraine and what has unfolded since has materially changed our operating environment.

Energy prices and energy security are having major impacts across Europe and more widely. We estimate energy costs for the Council to rise by 162% in 2023/24 (circa. £8.5 million). Inflation has already reached levels not seen since the 1980's which is feeding through in terms of contract and other costs as well as contributing to a cost of living crisis across all of our communities. The UK Government has increased the National Living Wage (NLW) by 10% and is set to increase the NLW by a similar degree in 2023-24. The Welsh Government has, additionally, committed to providing funding to enable at least the Real Living Wage to be paid to care workers across Wales.

The combined impact of the pandemic and Brexit has also had a mixed impact across our local economy. Ongoing supply chain disruptions are adding to cost pressures.

Income levels have been impacted by the pandemic too with many residents having made significant changes to their lifestyles during the pandemic period – this is particularly affecting theatres, car parks and leisure services where the number of paying customers is yet to return to pre-pandemic levels.

Furthermore, the labour market is far more competitive with post-pandemic unemployment rates at very low levels and more employers seeking to fill jobs than there are people looking for work. This is placing pressure on recruitment and retention with consequential implications for pay and our wider employment offer.

On a positive note, the county borough is also seeing an unprecedented level of investor interest from existing and new investors. Whilst the level of investor interest is very welcome, this is placing considerable pressure on Planning, Economic Development and other regulatory services.

To complete the general overview, good progress has been made in implementing various policy initiatives set out in the Programme for Government and the associated Plaid Cymru/Labour Co-operation Agreement this year. For example, the roll out of free school meals in primary schools; and the expansion of the free childcare offer. Good progress has also been made in progressing priorities established by the Rainbow Coalition including: the allocation of additional capital funds to improve the public realm; commencing a review of the decision to re-organise education in the Swansea Valley; the submission of four substantial bids to the Levelling Up and Shared Prosperity funds; supporting the progress of major inward investment interests at Afan Valley and Dulais Valley; and submitting a collaborative bid for a Freeport.

It is in the context of the above that the Council is consulting on these draft budget proposals.

2023/24 Estimated budget gap

The table on page 5 shows the estimated amount of funding needed to run council services in 2023/24 and the funding available

The 2022/23 pay award added £12.5m to the Council's paybill which equated to an average increase of 6%. With only 4% included notionally within this year's local government settlement this left a gap of c£4.3m.

During the current financial year managers have been asked to maintain a tight financial discipline to mitigate any overspend arising from the unfunded pay award. Specific measures taken include:

- All vacant posts have been assessed as to when the posts realistically will be filled or if they even need to be filled until the next financial year
- Additional income generation has been built in where considered deliverable
- Identifying posts where the pay award can be offset e.g. against grants/consultancy works
- Identifying hybrid working savings e.g. Car allowances

In addition to the unfunded pay award from 2022/23 the Council is also predicting pay and inflationary costs of £25.905m for 2023/24. Taken collectively the above items will increase the cost of running Council services by £30.205m. These cost increases represent the cost of providing existing Council services i.e. the increase in cost just to stand still.

In addition, there are unavoidable service pressures which will also increase the estimated cost of running council services by £11.984m as detailed in Appendix 2.

In addition there are £10.879m of budget pressures identified which may materialise during 2023/24, these are set out in detail in Appendix 3. If they do materialise they will need to be funded by Council reserves or alternative resources in the first instance and then built into the base budget as unavoidable pressures in subsequent financial years. These are collectively referred to as 'pressures to be monitored'.

The provisional local government settlement received on 14th December 2022 details an increase in funding of £18.323m or 7.1%. This is greater than the indicative 3.5% previously outlined but is still wholly inadequate in relation to funding the increased costs the Council will incur next year.

The settlement also includes details of some specific grants at an all Wales level. There are several grants which have been kept at 2022/23 levels which in real terms is a cut in funding due to the effect of pay awards and inflation. For these grants activity will need to be curtailed to remain within the amount of funding available. A number of grants have also been reduced or are referenced as 'TBC' in the settlement papers, it is important that WG clarify the position regarding these grants before the final settlement so the Council has a full picture in relation to funding for 2023/24.

2023/24 Budget gap summary

	£'000	£'000
2022/23 net budget		338,020
Unavoidable cost increases		
Unfunded pay award from 2022/23	4,300	
Inflation and pay awards (appendix 1)	25,905	
Unavoidable pressures (appendix 2)	11,984	
Total unavoidable cost increases	42,189	
Total estimated cost of Council services 2023/24		380,209
Funding available		
Council tax -2022/23 level		80,334
Welsh Government (WG) funding 2022/23 level		258,072
Increase in WG funding for 2023/24		18,323
Discretionary rate relief		-387
Total Funding Available		356,342
Budget Gap		23,867

The budget gap detailed above is greater than any single year gap faced through the recent period of austerity.

Proposed strategy for closing the budget gap

Since it became apparent that the financial outlook had deteriorated significantly Council officers have been working on proposals to close the budget gap. This work has been multi-faceted and has included early engagement with staff, trade unions, all members of Council, representatives of the school community and other interested stakeholders.

The starting point in relation to the 2023/24 budget strategy has been the work undertaken during the current financial year to drive down the projected overspend as already referenced on pages 3 and 4 of this report. However despite this work there remains a structural pressure requiring a permanent solution which needs to be addressed as part of the budget strategy detailed below.

The budget strategy for 2023-24 is based on the following key objectives:

Maintaining a clear focus on recovery from Covid-19

There are exceptional pressures across the Council as the impact of policies pursued during the Covid-19 response period emerge. In particular, there are much higher volumes of demand/need presenting in social services, housing and education together with an increase in the complexity of need. It is not yet clear when the rise in demand/need will peak. As the Council has many statutory duties to fulfil in relation to the people impacted, it is crucial that we can remain focused on our recovery work to avoid more cases escalating to a point of crisis when much more expensive solutions would need to be found.

In Environment Directorate, there are some backlogs of work and pent up demand that needs attention as part of recovery. Where there are performance pressures, these are almost exclusively a result of the impact of actions taken during Covid-19 response where the Council was asked to re-purpose staff, facilities and other resources to support the governments' objectives to protect the NHS and to save lives. We need to maintain our focus on addressing the consequences of these policies throughout 2023-24.

Supporting our communities through the cost of living crisis

At the beginning of the 2022-23 financial year we were already seeing signs of financial hardship across communities. The energy crisis and huge increase in inflation has seen many more residents and businesses experience financial hardship as the year has unfolded. The Council has played a significant role in making sure that financial support from government reaches those eligible for that support; and the Council has now mobilised a partnership with Warm Wales, unlocking the £2million set aside at budget setting time to assist those experiencing the greatest hardship but who are unable to seek help from other sources. Additional practical support is being provided through the re-purposing of over 30 council buildings to help people access a warm place and support; we are working with partners to promote all other forms of help and support available to those who need it; and putting an increased focus at community level to seek out those most

vulnerable and to connect these to help and support near where they live. The NPT Safe and Well Partnership has been re-purposed to co-ordinate the Council's work with partners and with the wider community action taking place. The immediate outlook in 2023-24 is one of continuing hardship for residents and the Council will need to continue to play its part in supporting residents over this period.

Facilitating and Enabling Economic Growth

There has been a mixed impact across the local economy as the pandemic cost of living crisis have taken their course. The Council has been responsible for administering significant financial support to businesses on behalf of government and providing other practical support where possible.

We are also dealing with a growing portfolio of major economic development initiatives. These include: a £250 million proposed investment in an adventure resort in the Afan Valley; a £200 million proposed investment in a Global Centre for Rail Excellence in the Dulais Valley; a potential Freeport covering the port of Port Talbot and the Port of Milford Haven which would attract seed capital of £25 million and potentially £0.5 billion in retained business rates for investment in hard and soft infrastructure over the programme life cycle; a £28 million investment programme over the remainder of this financial year and the next two financial years through the Shared Prosperity Fund; the ongoing delivery of the City Deal programme; together with the potential to draw down significant capital funds to support innovation and housing developments and the prospect of some success with our three Levelling Up Fund bids. The Council has performed well in supporting these initiatives thus far but will need to increase investment in its economic growth functions to secure the successful delivery of this portfolio and to maximise the benefits to local people and local supply chains.

Delivering local and Welsh Government policy priorities

We are in the second year of the current Senedd term and in the first year of the local government term. The Welsh Government has set out an extensive programme of policy commitments that will impact on councils. The Rainbow Coalition also has its own policy priorities which are being implemented and which will feature in an updated Corporate Plan that will be presented to Council in March 2023.

Ensuring a sustainable Council

There has been a material change to the Council's operating environment over this financial year. The much changed budget outlook, the workforce constraints and the pace of change combine to challenge the existing operating model.

Over the medium term, the Council will need to pursue a robust strategy that will transform the way services and functions are delivered within a clearly defined framework of priorities, whilst also ensuring financial sustainability and good governance. The key elements of the financial strategy includes:

Economy and efficiency measures including budget re-basing

An exercise has been undertaken to systematically 're-base' budgets. This is to reflect the fact that the Council is now working in a very different way post-pandemic and therefore budgets are no longer necessarily aligned to where activity is now being delivered.

A review of all expenditure headings is also underway to identify where more efficient ways of working can deliver a reduction in cost.

Accommodation

This workstream is part of a strategy to reduce the fixed costs of the organisation. The first phase of the strategy is to reduce the number of smaller satellite office buildings occupied by the Council. The second phase of the review will be to look at the wider buildings portfolio, including use of the three civic centres given that most of the Council's office-based staff are now working in a hybrid manner.

Energy

Energy costs are anticipated to rise by 162% in 2023/24. This is not affordable and consequently an increase of 50% has been allowed for in departmental budgets in 2023/24.

Immediate actions to reduce energy consumption in buildings have been taken however, it will be necessary to accelerate the deployment of renewable energy sources to a reduced buildings portfolio to bring about a step change in costs at pace. This work will start in 2022/23 to deliver cost benefits in future financial years.

Alongside buildings, street lighting is a significant consumer of energy. Proposals will be brought forward to reduce consumption, including the targeted dimming and switching off of parts of the infrastructure on a risk-assessed basis.

Transport

In the immediate term, an external review has been commissioned to determine whether there is any scope for reducing the operational costs of

home to school transport, social services transport and other transport activities such as pooled cars.

Additionally, a strategic review to establish an optimal size of the fleet is underway which will additionally consider how quickly the Council can move to electric and hydrogen powered vehicles.

Grant maximisation

The Council receives circa £55m of specific grant funding. Officers are examining the extent to which grant funding is being optimised to reflect the Council's priorities and the opportunity to fully recover the costs of resourcing the related activities. The Council needs to maximise the opportunities to second core funded staff to work on specific grant funded programmes to avoid increasing its headcount at a time of such significant financial challenges, supported by clear exit strategies that do not place the security of employment of any seconded staff at risk.

Fees and charges including subsidy removal

The Council operate a number of discretionary services which currently run on a subsidised basis. It is very unlikely that there will be sufficient funding to resource these services on the current basis in future years and consequently different funding models will need to evolve if we are to sustain these services over the medium and longer term. This is likely to involve a significant increase in commercialisation to remove the core funding subsidy on a phased basis, recognising that this cannot be achieved within one year. There will be opportunities for capital investment to help deliver reduced cost or generate additional income.

All fees and charges will also be reviewed in line with inflation as the Council is not able to absorb the additional costs of the associated services.

Procurement

The Council currently procures goods and services to the value of circa £205m per annum. An initial review of expenditure suggests that a more forensic review of this spend would enable further value for money actions to be developed. A series of procurement reviews led by heads of service will take place in early 2023/24 to generate additional savings solutions. There will also need to be a focus on ensuring the Council's procurement activity supports the local economy. A procurement policy will be developed which addresses this issue and work will be progressed through the Public Services Board to strengthen the foundational and circular economies.

Service remodelling

Even with the measures identified above, it is likely that the net cost of services and functions will exceed resources available. Consequently, all directors have been asked to bring forward proposals to re-model services during 2023/24 for implementation over the subsequent years.

Should service remodelling be insufficient, the Council would then need to review service priorities and service levels and make targeted cuts to balance the budget.

Indoor Leisure

The Council determined in February 2022 to return indoor leisure services currently operated by Celtic Leisure to the Council's direct management. Since that decision was taken costs have sharply escalated increasing the funding gap beyond that reported at the point of Member decision. A number of options for addressing this position are being developed as part of the budget setting process.

Reserves position

As part of the budget strategy for 2023/24 it is proposed to use £3.5m of the Council's general reserve balance to underpin the budget. The rationale for this is articulated through the objectives set out above. We expect the growth in demand for services to reach a peak in 2023/24, all other things being equal. We hope to also be able to make a clearer assessment as to whether the increased demand and need we are currently responding to will return to pre-pandemic levels and the timescale over which this might occur, or alternatively, whether we will experience a (semi)permanent increase in the activity and cost base.

The Council agreed a general reserves policy which states that the general reserve balance should be kept at c4% of the net revenue budget. The 2022/23 net revenue budget is currently £338m meaning that the general reserve should be held at c£13.5m. The above proposal would see the general reserve balance held at £16.5m which exceeds the 4% target.

In addition it is proposed to utilise £1.4m from specific reserves to help meet the cost of running indoor leisure services whilst the further options referred to above are developed.

Proposals for council tax in 2023/24

Under the Local Government Finance Act 1992 Council are required to set a balanced budget with regard to the advice of the Chief Finance Officer (Section 151). A budget can be legitimately balanced through the use of reserves however Council must be mindful that once spent reserves are no longer available to balance future years' budgets.

In setting out his Autumn Statement, the Chancellor of the Exchequer made clear that he has based his spending plans on councils raising council tax by 5%.

Even with all of the measures set out above fully realised and after the use of £4.9m reserves there still remains a budget gap for 2023/24. This includes an increase equivalent to the value of 1.8% council tax to cover the uplift in cost of the Mid and West Wales Fire and Rescue Authority levy over which the Council has no control; an increase equivalent to the value of 2% council tax required to begin to address the budget gap required to keep indoor leisure facilities open in 2023/24. There is also a requirement to increase council tax as the cost of providing placements for children with additional learning needs increases.

As part of this consultation process it is proposed that the council tax needed to run Council services will therefore need to increase by 4.5% next year.

Funding of budget gap

The following table summarises the proposed funding of the 2023/24 budget gap:

	£'000
Total budget gap	23,867
<u>Funded by:</u>	
Savings solutions identified	15,352
Use of reserves to fund indoor leisure costs	1,400
Use of general reserves re: Covid demands	3,500
Council tax increase @ 4.5%	3,615
Total funding	23,867

Medium term financial outlook

The medium term financial outlook over the next five years is challenging. With inflation currently running at 11.1% (CPI October 2022) and the national living wage rising by 9.7% in 2023/24 there looks to be no let up in the cost increases facing the Council

The current medium term financial plan (MTFP) to 2027/28 includes pay and inflationary pressures over the five year period amounting to £85m; unavoidable service pressures of £17m and local growth pressures arising from changing demographics of £16m.

After taking account of assumed Welsh Government funding of £47m over the period 2023-2028 **there still remains a funding gap of £48m** which represents 20% of the Council's overall net revenue budget (excluding schools).

Work is ongoing in relation to developing a number of strategies to close this gap. These strategies will require existing services to be significantly remodelled.

If the savings required cannot be delivered through re-modelling of services then it is likely that there will need to be a prioritisation of service delivery going forward with a focus on the complying on the Council's legal requirement to deliver statutory services.

Overview of Services

Education, Leisure and Lifelong Learning including Schools

This budget supports the Council's ambition to increase the number of welsh speakers through funding the opening of a new welsh medium starter school. The new school is one of 3 which are planned through the life of our Welsh Education Strategic Plan, (WESP) over the next 10 years. Improving access to welsh medium education is a key strategic goal of the Council in delivering against our targets identified within the WESP.

Following the decision of Members to bring indoor leisure services back in house the budget delivers against the Councils ambition to support the health and wellbeing of its citizens and its staff. The new Neath Leisure Centre will open its doors at the end of January 2023 and will deliver state of the art facilities for its members and the wider public.

Additional funding is proposed to support some of our most vulnerable learners to deliver specialist places in purpose built facilities to improve the education and wellbeing outcomes for young people. There is significant additional demand for these specialist places which has grown since Covid.

Social Services, Health and Housing

In 2023-24 the Social Services Health and Housing Directorate will continue to provide services to the most vulnerable children, young people, adults and older people in Neath Port Talbot. Alongside meeting legal duties to safeguard and protect children and adults at risk the Directorate provides statutory support for residents (and their carer's) in the County Borough with a disability and/or mental health issues including mental illness and Dementia.

In relation to Children and Young People Services the Directorate will continue to support the 266 children currently in its care and more than 1000 children that have been assessed as needing services.

The Housing Options Team ensures that the Council meets its legal requirements to accommodate the homeless and in the 2022 calendar year dealt with 2,745 requests for support. Similar numbers are expected in 2023/24. The wider Housing Support Service will be ensuring that there are robust strategies in place regarding Rapid Rehousing and tackling the wider general Housing need across Neath Port Talbot.

Adult Services, amongst many other duties, will continue to support older people who are frail and unable to care for themselves. Currently 545 people are being provided with Residential Care and 680 are receiving the Domiciliary care that allows them to stay in their own homes with the care that they need.

Environment Directorate

This directorate delivers a diverse range of services ranging from the more visible services including the, maintenance of our highways, drainage and street lighting infrastructure, the collection of waste and the management of our parks and green/open spaces to the less visible services including the planning, economic development, and regeneration teams.

The council has recently invested in the enhancement of a number of these services so that we are more able to respond to the increasingly challenging demands we are faced with. Unfortunately climate change is resulting in more frequent heavy bursts of rain which is in turn increasing the number of localised flooding incidents. Investment in our drainage team is enabling us to apply for more grant funding when available, which will in turn enable us to increase the capacity of our drainage network and reduce such incidents in the future.

Despite the current economic climate and cost of living crisis, we are seeing signs of increasing economic interest in Neath Port Talbot with many businesses and investors seeking to explore and deliver further opportunities. In order to assist these ambitions we have invested in boosting the strength of our planning and economic development teams which will ensure that we can guide them through the complicated regulatory frameworks but also support them with advice and financial assistance when necessary. This partnership working will enable us to deliver well paid jobs for our growing green economy.

Chief Executives

The Chief Executives Directorate will continue to provide the support services which underpin the delivery of the Council's frontline services, support the Council's democratic processes and ensure the Council has robust governance arrangements in place.

The Directorate will deliver the Enabling Programme, set out in the Corporate Plan, a programme of organisational development which will develop the capacity and capability of the council over a 3-5 year period, across people, digital, assets, financial stability, governance and engagement.

The budget proposals include additional investment in digital services to ensure that the Council is adequately resourced with the skills and knowledge needed to support a number of major service transformation programmes which will take place over the forthcoming years.

Through our new Digital Services Target Operating Model, we have developed a roadmap to transform our delivery of digital, data and technology services to residents, businesses, and visitors. It's not about more tech, more platforms, more solutions to problems we think exist, it's about real user centred design, placing our residents, businesses and visitors at the heart of our service delivery.

We will join up and use the data we hold to improve our understanding of what matters to our service users, and explore how technology such as Robotics and Automation can transform labour intensive processes.

Crime and Disorder Impact

The Council has a legal duty under Section 17 of the Crime and Disorder Act 1998 to carry out all its various functions with “due regard to the need to prevent Crime and Disorder in its area”.

Individual proposals are being assessed as to their impact on crime and disorder and should any specific impact be identified these will be identified against individual proposals and summarised in final proposals.

Integrated Impact Assessment

The Equality Act 2010 requires public bodies to “pay due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristics and persons who do not share it.”

An integrated impact assessment (IIA) is appended to this report.

Sustainable Development

The Well-being of Future Generations Act 2015 (“the 2015 Act”) requires the Council to think about the long-term impact of their decisions, to work better with people, communities and each other and to prevent persistent problems such as poverty, health inequalities and climate change. The 2015 Act imposes a duty on all public bodies in Wales to carry out “sustainable development”, defined as being, “The process of improving the economic, social, environmental and cultural wellbeing of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the wellbeing goals.” The action that a public body takes in carrying out sustainable development includes

setting and publishing wellbeing objectives, and taking all reasonable steps in exercising its functions to meet those objectives.

As part of the sustainable development principle the Council has a duty to set a balanced budget. Stakeholder consultation on these draft proposals will enable the Council to take account of responses and other relevant information to assist it to finalise its allocation of resources in March 2023.

Workforce Impacts

We remain committed to securing the employment of our staff and have well developed policies in relation to supporting people to move to greater priority work which will be utilised as we continuously shape our operating model. The draft proposals within this report have been subject to early and ongoing engagement we have had with trade unions

Consultation

We have previously undertaken an extensive ‘let’s talk’ consultation exercise. As part of the process to develop these draft budget proposals there has also been extensive engagement already undertaken with staff and residents. A schedule of all suggestions received as part of the pre-consultation engagement process is included in Appendix 6 of this report.

The formal consultation is now the opportunity to take further soundings while proposals are at formative stage.

Members will note the consultation will commence immediately following Cabinet today and close on 10th February 2023 prior to final decisions being made in March 2023.

Risks

There are a number of substantial risks contained within these proposals which, if approved at final budget setting stage, will need to be monitored and managed during 2023/24. The following is not an exhaustive list but represents the most significant at this stage:

- Energy costs – there is a risk that by only funding energy inflation at 50% and relying on an energy review which has not commenced yet

that we do not contain energy costs within budget. In order to mitigate against this risk £2.8m has been set aside as a renewable energy transition fund.

- Vacancy factor – if there are insufficient vacancy savings achieved in year and Corporate Directors are not able to identify other savings to make up any shortfall then there is a risk of an in-year overspend
- Fees and charges – there is a risk that by increasing fees and charges in line with inflation that demand drops and subsequently income targets are not met
- Removal of subsidies – the removal of subsidies over the course of the MTFP period represents a risk that if not achieved there will be a budget pressure

The tables included in Appendix 4 of this report provide additional information regarding the risk/impact of each savings proposal.

Recommendation

It is recommended that the Cabinet:

- Authorise the Chief Executive to consult with the public on the draft budget proposals contained in this report.

Reason for Proposed Decision

To fulfil the statutory requirement to consult on the 2023/24 draft budget proposals.

Implementation of Decision

The decision is proposed for implementation immediately after consultation with the chair of the Cabinet Scrutiny Committee.

Appendices

- Appendix 1 – Inflation assumptions
- Appendix 2 – Unavoidable service pressures
- Appendix 3 – Pressures to be monitored
- Appendix 4 – Budget solutions workstreams

Appendix 5 – Integrated Impact Assessment
Appendix 6 – Schedule of pre-consultation suggestions

Background Papers

Budget working files

Officer Contact

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Appendix 1

Expenditure Category	Base Budget 2022/23	Inflation assumption					Estimated cost				
		2023/24	2024/25	2025/26	2026/27	2027/28	2023/24	2024/25	2025/26	2026/27	2027/28
<u>Selected headings</u>											
Pay	231,000	4.00%	4.00%	3.00%	3.00%	3.00%	9,240	9,610	7,495	7,720	7,952
Additional pay contingency	231,000	2.00%					4,620				
Employee other	5,000	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	0
Energy - gas and electricity	5,562	50.00%	5.00%	5.00%	5.00%	5.00%	2,781	417	438	460	483
MNR	3,855	0.00%	1.00%	2.00%	2.00%	2.00%	0	39	78	79	81
Other premises	8,023	2.00%	2.00%	2.00%	2.00%	2.00%	160	164	167	170	174
Home to school transport	7,650	9.00%	5.00%	3.00%	2.50%	2.50%	689	417	263	225	231
Other transport	3,380	3.00%	2.00%	2.00%	2.00%	2.00%	101	70	71	72	74
Concessionary Fares	3,600	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	0
Materials	9,111	10.00%	3.00%	3.00%	3.00%	3.00%	911	301	310	319	329

Appendix 1

Expenditure Category	Base Budget 2022/23	Inflation assumption					Estimated cost				
		2023/24	2024/25	2025/26	2026/27	2027/28	2023/24	2024/25	2025/26	2026/27	2027/28
External waste contracts	6,512	5.00%	5.00%	3.00%	3.00%	3.00%	326	342	215	222	229
Childrens services	11,500	10.00%	5.00%	4.00%	3.00%	3.00%	1,150	633	531	414	427
Adult services	61,000	12.28%	5.00%	5.00%	3.00%	3.00%	7,492	3,425	3,596	2,265	2,333
Other payments to thrid parties	16,000	2.00%	2.00%	2.00%	2.00%	2.00%	320	326	333	340	346
Fire Service Levy	8,503	13.00%	5.00%	5.00%	5.00%	5.00%	1,105	480	504	530	556
Council Tax Reduction Scheme (linked to Ctax)	19,621	4.60%					903	0	0	0	0
Capital Financing	20,496	2.00%	2.00%	2.00%	2.00%	2.00%	410	418	426	435	444

Appendix 1

Income Category	Base Budget 2022/23	Inflation assumption					Estimated income				
		2023/24	2024/25	2025/26	2026/27	2027/28	2023/24	2024/25	2025/26	2026/27	2027/28
Grant Income	-55,500	3.00%	3.00%	3.00%	3.00%	3.00%	-1,665	-1,715	-1,766	-1,819	-1,874
Sales, fees and chagres	-22,000	10.00%	2.00%	2.00%	2.00%	2.00%	-2,068	-481	-491	-501	-511
Rent	-4,000	2.00%	2.00%	2.00%	2.00%	2.00%	-80	-82	-83	-85	-87
Contributions towards service costs	-15,000	1.00%	1.00%	1.00%	1.00%	1.00%	-150	-152	-153	-155	-156
Other income	-16,000	2.00%	2.00%	2.00%	2.00%	2.00%	-320	-326	-333	-340	-346
Total Pay & Inflation							25,905	13,884	11,601	10,354	10,684

Appendix 2

Funded unavoidable service pressures							
Directorate	Service Area	Detail	£'000	£'000	£'000	£'000	£'000
			2023/24	2024/25	2025/26	2026/27	2027/28
Schools		Welsh Medium Starter School Neath Abbey	300	300	350		
Education, Leisure & Lifelong Learning	Leisure	Increased cost of operating indoor leisure	2,870	1,400			
Education, Leisure & Lifelong Learning	Home to school transport	Increase in contract price due to number of factors including cost of fuel, shortage of drivers	1,276				
Education, Leisure & Lifelong Learning	Additional learning needs	Increase in planned places for children with additional learning needs	350	250			
Environment		Core fund posts funded from service resilience reserve		500	500		
Environment	Civic Buildings	Quays and BBIC increase cost of electricity due to change in supplier	188				
Environment	Transport	Increased cost of current bus subsidies on valley routes	368				
Chief Executives	Digital Services	Increase in digital services budget to agreed target operating model (agreed during 21/22)	100				
Social Services, Health and Housing	Adult Services	Actual growth in placements	1,532	1,500			
Social Services, Health and Housing	Childrens services	Actual growth in residential care placements	1,200				
All services including schools		Renewable energy transition fund	2,800				
All services including schools		Specific grant equalisation	1,000				
Total funded unavoidable service pressures			11,984	3,950	850	0	0

Appendix 3

Directorate	Service Area	Pressure	To be monitored		Risk if not supported	Additional comment
			High Risk £'000	Med / Low Risk £'000		
Social Services And Housing	Adult Services	Market Pay supplement for Social workers	£ 1,100		Social workers leaving NPT to work for other LA's who are currently paying more-meaning more work for those remaining, less time to do more detailed assessments of clients and clients potentially being placed into high cost placements as a first resort	
Social Services And Housing	Adult Services	2022/23 base budget funded from reserves - anticipation that late notification of grants will offset		£ 1,827	Reserves will run out leaving base budget gap	
Social Services And Housing	Adult Services	Homelessness	£ 600		Failure of statutory duty, people will be forced to live back on the streets	
Social Services And Housing	Childrens services	Residential Care increase in placements	£ 900		Failure of statutory duty	Actual growth of 7 places funded - potential 4 others to monitor
Social Services And Housing	Childrens services	Permanent funding of 23 temporary staff	£ 420		Increased workload for remaining social workers, potentially staff leave to work in other LA's, ill health of existing staff	
Chief Executives	Legal Services	Cost of additional Welsh language translation of Council minutes and attendance by the Translator at Council meetings. I		£ 10	Non compliance with Welsh language standards	
Chief Executives	Legal Services	Social Services Directorate indicated to the Safeguarding Team that they wished that they wished an experienced lawyer dedicated primarily to adult legal work, following the intended retirement of the current service Manager at some point in 2023/2024.		£ 30	Expertise required	

Appendix 3

			To be monitored			
			High Risk	Med / Low Risk	Risk if not supported	Additional comment
Education, Leisure & Lifelong Learning	Schools delegated budget	Correct funding for teaching assistant hours		£ 4,500	Pressure on schools budget	
Education, Leisure & Lifelong Learning	Vulnerable learners	Cease of home office grant-funding needed to support reugee and asylum children		£ 180	Should be funded from central government	
Education, Leisure & Lifelong Learning	Cynnydd	End of grant		£ 600	Seeking alternative grant funding	
Environment	Waste	Increase to contract price over rate of inflation	£ 140		Potential in year pressure	
Environment	Waste	Fuel increase over rate of inflation	£ 200		Will not be able to operate the fleet to current level-service delivery may have to change	Part of waste strategy
Environment	Assets	National underground asset register		£ 180	Not a legal requirement	Paper copies of all utilities below ground in LA, need to digitise them in order with national policy changes-non compliance
Environment	Environmental Health and Trading standards	Increase budget to reflect true costs of barrister/QC costs		£ 75	Possible reputational damage	
Environment	Environmental Health and Trading standards	Reduction to crime act income budget-unachievable		£ 43	Overspend on budget in year	
Environment	Travel	Increase hours and grade of vacant bus support officer-currently 3 days and grade 3, upgrade to grade 5 and full time		£ 24	More admin onto officers and prevents them from carrying out their statutory duties	
Environment	Retaining walls	Additional funding for retaining wall inspections	£ 50		Retaining wall deficiencies not identified	
TOTAL			£ 3,410	£ 7,469		
			TOTAL	£ 10,879		

Neath Port Talbot Council							
Budget solution work streams 2023/24 to 2027/28							
Workstream	Estimated Saving	2023/24	2024/25	2025/26	2026/27	2027/28	
Efficiency/Economy	£ 1,060,888	£ 810,888	£ 250,000	£ -	£ -	£ -	
Accommodation	£ 575,702	£ 158,000	£ 95,702	£ 322,000	£ -	£ -	
Grants	£ 961,190	£ 611,190	£ 350,000	£ -	£ -	£ -	
Fees and Charges	£ 2,308,316	£ 574,157	£ 923,391	£ 625,261	£ 185,507	£ -	
Service remodelling	£ 162,188	£ 150,000	£ 12,188	£ -	£ -	£ -	
Other	£ 13,898,000	£ 13,048,000	£ 250,000	£ 250,000	£ 350,000	£ -	
	£ 18,966,284	£ 15,352,235	£ 1,881,281	£ 1,197,261	£ 535,507	£ -	

Appendix 4

Workstream	Budget	Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Risk/Impact	Lead officer	Relevant Cabinet Board
Efficiency/Economy measures identified										
Car Allowances	£ 1,028,960	£ 400,000	£ 400,000					Low risk. Based on post covid working practices	C Owen	Cabinet
CRB Checks	£ 78,000	£ 10,000	£ 10,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Eye tests	£ 11,348	£ 7,000	£ 7,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Water	£ 272,049	£ 52,000	£ 52,000					Low risk. Based on post covid working practices	C Owen	Cabinet
General office expenses, books and subscriptions	£ 300,000	£ 125,000	£ 125,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Pat testing	£ 31,000	£ 10,000	£ 10,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Periodicals, municipal journals etc.	£ 3,535	£ 2,500	£ 2,500					Low risk. Based on post covid working practices	C Owen	Cabinet
Window cleaning	£ 21,000	£ 10,000	£ 10,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Carpassing	£ 49,206	£ 10,000	£ 10,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Stationery	£ 85,135	£ 75,000	£ 75,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Conference fees - overnight travel etc.	£ 12,000	£ 5,000	£ 5,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Furniture purchasing	£ 10,500	£ 10,500	£ 10,500					Low risk. Based on post covid working practices	C Owen	Cabinet
Postages	£ 167,000	£ 3,000	£ 3,000					Low risk. Based on post covid working practices	C Owen	Cabinet
Medical Fees	£ 155,000	£ 40,000	£ 40,000					Low risk. Based on post covid working practices	C Owen	Cabinet
External printing	£ 133,888	£ 33,888	£ 33,888					Low risk. Based on post covid working practices	C Owen	Cabinet
Grants to external agencies	£ 565,580	£ 200,000		£ 200,000				Possible risk to sustainability	H Jones	Cabinet
Hire of room	£ 187,000	£ 17,000	£ 17,000					Low risk. Based on post covid working practices	S Brennan	Cabinet
		£ 1,010,888	£ 810,888	£ 200,000	£ -	£ -	£ -			

Appendix 4

Neath Port Talbot Council										
Budget solution work streams 2023/24 to 2027/28										
Workstream	Budget	Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Risk/Impact	Lead officer	Relevant Cabinet Board
Accommodation										
Buildings to be vacated	£ 450,000	£ 293,000	£ 158,000		£ 135,000			Low risk - sufficient capacity in other buildings	S Brennan	Cabinet
Phase 1 Buildings to be retained	£ 2,045,126	£ 100,000			£ 100,000			Low risk - sufficient capacity in other buildings	S Brennan	Cabinet
Lonlas archive close it 24/25	£ 35,702	£ 35,702		£ 35,702				Potential insufficient storage facility	S Brennan	Cabinet
Buildings for further consideration	£ 1,371,106	£ 87,000			£ 87,000			Low risk - sufficient capacity in other buildings	S Brennan	Cabinet
Depots		£ 60,000		£ 60,000				Low risk - alternatives available	S Brennan	Cabinet
	£ 3,901,934	£ 575,702	£ 158,000	£ 95,702	£ 322,000	£ -	£ -			

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Appendix 4

<u>Neath Port Talbot Council</u>									
<u>Budget solution work streams 2023/24 to 2027/28</u>									
Workstream	Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Risk/Impact	Lead officer	Relevant Cabinet Board
<u>Grants</u>									
Maximisation of external grant funding	£ 850,000	£ 500,000	£ 350,000				Compliance with grant terms and conditions	S Brennan	Cabinet
Offset ALN post against existing grant	£ 63,190	£ 63,190					Grant ceases and no base budget	A D Thomas	Cabinet
Caring business administrative post against grant	£ 48,000	£ 48,000					Grant ceases and no base budget	A D Thomas	Cabinet
	£ 961,190	£ 611,190	£ 350,000	£ -	£ -	£ -			

Appendix 4

Neath Port Talbot Council																
Budget solution work streams 2023/24 to 2027/28																
Workstream	Budget		Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Risk/Impact	Lead officer	Relevant Cabinet Board					
Cost recovery of services																
Margam Park	£	556,526	£	556,526	£	100,000	£	200,000	£	256,526	Risk that subsidy cannot be removed	A D Thomas	ES&W			
Increased income at skills and training unit	£	-	£	25,000	£	25,000					Low risk - should be deliverable	A D Thomas	ES&W			
Full cost recovery of school cleaning service	£	167,275	£	167,275	£	167,275					Low risk. Schools to fund	A D Thomas	ES&W			
Great County Park	£	85,344	£	85,344	£	30,000	£	30,000	£	25,344	Risk that subsidy cannot be removed	M Roberts	ES&W			
Princess Royal theatre	£	117,879	£	117,880			£	58,940	£	58,940	Risk that subsidy cannot be removed	A D Thomas	ES&W			
Afan forest park	£	1,882	£	1,882	£	1,882					Risk that subsidy cannot be removed	S Brennan	ES&W			
Metal box	£	556,520	£	556,521			£	185,507	£	185,507	£	185,507	Risk that subsidy cannot be removed	S Brennan	ER&S	
Pontardawe Arts Centre	£	197,888	£	197,888			£	98,944	£	98,944			Risk that subsidy cannot be removed	A D Thomas	ES&W	
Leisure Services	£	4,000,000	£	600,000	£	250,000	£	350,000					Risk that subsidy cannot be removed	A D Thomas	ES&W	
			£	2,308,316	£	574,157	£	923,391	£	625,261	£	185,507	£	-		

Appendix 4

<u>Neath Port Talbot Council</u>									
<u>Budget solution work streams 2023/24 to 2027/28</u>									
Workstream	Budget	Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Lead officer	Relevant Cabinet Board
<u>Service Remodelling and integration</u>									
Digital Savings (Mobile and Photocopier contracts)	£ 568,000	£ 150,000	£ 150,000					C Owen	Cabinet
Resource Centre (ELRS)	£ 12,188	£ 12,188		£ 12,188				A D Thomas	ES&W
		£ 162,188	£ 150,000	£ 12,188	£ -	£ -	£ -		

Appendix 4

<u>Neath Port Talbot Council</u>										
<u>Budget solution work streams 2023/24 to 2027/28</u>										
Workstream	Budget	Saving	2023/24	2024/25	2025/26	2026/27	2027/28	Risk/Impact	Lead officer	Relevant Cabinet Board
Other										
Pension Recharges	£ 1,639,916	£ 67,000	£ 67,000					None. Annual recharges from Swansea pension which reduces annually	H Jones	Cabinet
Treasury Management	£ 20,513,500	£ 500,000	£ 500,000					Low risk-Potential interest rates drop	H Jones	Cabinet
Management of change recharge	£ 200,000	£ 200,000	£ 200,000					No risk. Schools based ER/VR costs will be met from corporate reserves as one off costs	H Jones	Cabinet
Fund pupil numbers as per settlement	£ 96,174,000	£ 733,000	£ 733,000					Low risk - funding follows pupils	H Jones	Cabinet
Pension revaluation		£ 5,109,000	£ 5,109,000					Low risk - based on actuarial valuation	H Jones	Cabinet
Reversal of Social Care Levy	£ 1,364,000	£ 1,364,000	£ 1,364,000					Low risk - government policy	H Jones	Cabinet
Vacancy management target 5% (exc schools)	£ 58,300,000	£ 2,915,000	£ 2,915,000					Risk that there are insufficient vacant posts - will lead to in year overspend	H Jones	Cabinet
Council tax reduction scheme	£ 19,621,000	£ 750,000	£ 750,000					Low risk - based on number of claimants	H Jones	Cabinet
Council tax collection rate	£ 80,334,000	£ 1,000,000	£ 1,000,000					Risk that historical collection rates not achieved	H Jones	Cabinet
Offset costs against capital programme	£ 260,000	£ 260,000	£ 260,000					Low risk - costs eligible to be capitalised	H Jones	Cabinet
Corporate savings-Cex Budget	£ 20,403,000	£ 1,000,000	£ 150,000	£ 250,000	£ 250,000	£ 350,000		Risk that proposals are not delivered within requisite timescales - will lead to in year overspend	H Jones	Cabinet
		£ 13,898,000	£ 13,048,000	£ 250,000	£ 250,000	£ 350,000	£ -			

This Integrated Impact Assessment considers the duties and requirements of the following legislation in order to inform and ensure effective decision making and compliance:

- **Equality Act 2010**
- **Welsh Language Standards (No.1) Regulations 2015**
- **Well-being of Future Generations (Wales) Act 2015**
- **Environment (Wales) Act 2016**

1. Details of the initiative

	Title of the Initiative: Draft budget proposals 2023/24
1a	Service Area: Services as identified across the directorates
1b	Directorate: All
1c	<p>Summary of the initiative:</p> <p>This Integrated Impact Assessment relates to the Council’s budget proposals for 2023/24.</p> <p>The Draft Budget proposals include:</p> <ul style="list-style-type: none"> ➤ Investment of £11.9m in additional service pressures over and above cost increases arising as a result of inflationary pressures. ➤ Savings of £15.352m none of which relate to cuts to services ➤ Use of reserves of £4.9m (£1.4m specific & £3.5m general) to assist in balancing the budget ➤ An increase in Council tax of 4.5%

	<p>The Council is legally required to produce a balance budget. In setting its budget the Council utilises funding received via the financial settlement from the Welsh Government including share of Non Domestic Rates, additional grants for specific service areas along with income from council tax.</p>
1d	<p>Who will be directly affected by this initiative? Residents of Neath Port Talbot.</p>
1e	<p>When and how were people consulted?</p> <p>As part of drawing up the draft proposals an all Member seminar has already taken place; briefings have been held virtually and face to face with staff; primary and secondary headteacher representatives have been briefed as well as Schools Forum; Members of the Cabinet have also held twelve engagement sessions across the County Borough to explain the financial position the Council is facing to residents</p> <p>The formal consultation period will commence on 19th January and conclude on 10th February.</p> <p>Separate briefings will be held with Trade Unions, Town and Community Councils and the Voluntary Sector liaison forum.</p> <p>There will be an on-line consultation form as well as physical paper questionnaires which be available at multiple locations across the County Borough. The already established 'Community of Practice' will also be utilised in order to extend the reach of the consultation as far as possible.</p>

	<p>The short timescale for the consultation has arisen due to the fact that the Welsh Government provisional local government settlement was not received until 14th December 2022.</p> <p>.</p>
<p>1f</p>	<p>What were the outcomes of the consultation?</p> <p>This report is seeking approval from the Executive to start the formal consultation process.</p> <p><u>Changes to original proposals</u></p> <p>None at present.</p>

2. Evidence

What evidence was used in assessing the initiative?

Service areas collect and more importantly utilise data on service users as part of the ongoing development and delivery of individual services. In addition to the number of people using the service other relevant information such as age, sex, disability, etc., is also collected which in turn informs policy development and service provision.

Information is collected through a variety of methods ranging from application forms and reviews, to satisfaction surveys and consultations.

3. Equalities

a) How does the initiative impact on people who share a protected characteristic?

Protected Characteristic	Why will it have this impact?
Age Disability Gender reassignment Marriage & civil partnership	The Council is committed to prioritising investment in schools and educating children by increasing its investment in schools as demonstrated by a 6% increase in the Delegated Budgets for Schools. An increase in funding for other Education Leisure and Lifelong Learning Services will help to protect services to vulnerable families and children through the provision of

<p>Pregnancy and maternity Race Religion or belief Sex Sexual orientation</p>	<p>additional support for learners as well as funding increased capacity following the roll out of the Additional Learning Needs Legislation.</p> <p>Investment in children’s and adult social services will continue to support people with learning disabilities and general provision towards care package costs. This investment will improve service provision to children and the elderly. Any specific changes to services will be the subject of separate impact assessments.</p> <p><u>Post Consultation</u></p>
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<p>What action will be taken to improve positive or mitigate negative impacts?</p>
<p>Officers will monitor the response to the proposals.</p>

b) How will the initiative assist or inhibit the ability to meet the Public Sector Equality Duty?

Public Sector Equality Duty (PSED)	Why will it have this impact?
<p>To eliminate discrimination, harassment and victimisation</p> <p>To advance equality of opportunity between different groups</p> <p>To foster good relations between different groups</p>	<p>The Council continues to be aware of its position as employer, provider and commissioner of services and to this end strives to ensure its ability to meet its legal obligations.</p>

What action will be taken to improve positive or mitigate negative impacts?
<p>Officers will monitor the response to the proposals.</p>

4. Community Cohesion/Social Exclusion/Poverty

	Why will it have this impact?
Community Cohesion	Whilst it is unlikely that the proposals will in themselves have significant impact on community cohesion in the short term there is a likelihood that long term impacts could be possible.
Social Exclusion	Whilst it is unlikely that the proposals will in themselves have significant impact on social exclusion in the short term there is a likelihood that long term impacts could be possible.
Poverty	<p>Research studies previously conducted by Sheffield Hallam University demonstrate that areas within the county borough are disproportionately and negatively affected by the UK Government’s welfare benefits changes and this continues to be the case.</p> <p>The Council continues to work in partnership to mitigate the impact of the welfare benefit changes and ongoing budgetary uncertainty.</p> <p>The Council continues to work on an anti-poverty agenda including:</p> <p>Anti-poverty strategy -development of a multi-agency strategy to outline what needs to be done to improve the lives of those living on a low income in Neath Port Talbot.</p>

	Free School Meals payments to families – Throughout school closures during the Coronavirus pandemic the Council has -paid £19.50 per week directly into the bank accounts of parents with children eligible for free school meals.
What action will be taken to improve positive or mitigate negative impacts?	
Officers will monitor the response to the proposals.	

5. Welsh

	+	-	+/-	Why will it have this effect?
What effect does the initiative have on: – people’s opportunities to use the Welsh language		✓		The Council currently has relatively small numbers of staff with Welsh language skills. Opportunities for staff to use their language skills will continue to be promoted and training will continue to be made available.
– treating the Welsh and English languages equally	✓			The Council is committed to the principles as embodied in the Welsh Language Measure (2015) and the standards in particular will

			continue so that the Welsh language is treated no less favourably than the English language
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What action will be taken to improve positive or mitigate negative impacts?

Officers will monitor the response to the proposals.

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6. Biodiversity

How will the initiative assist or inhibit the ability to meet the **Biodiversity Duty**?

Biodiversity Duty	+	-	+/-	Why will it have this impact?
To maintain and enhance biodiversity				Unknown. There is no clear route to demonstrate either positive or negative impact on biodiversity.
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment,				Unknown. There is no clear route to demonstrate either positive or negative impact on the resilience of ecosystems.

such as air quality, flood alleviation, etc.				
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What action will be taken to improve positive or mitigate negative impacts?
Future impacts assessment will benefit from the biodiversity service assessments which are currently being undertaken to help determine what, if any, impacts service areas have on biodiversity. The assessments will help inform where services areas will be required to undertake specific assessments when appropriate to determine the extent and any mitigating actions of future changes to service/policy, etc. as part of delivery of the Biodiversity Duty Plan

7. Wellbeing of Future Generations

How have the five ways of working been applied in the development of the initiative?

Ways of Working	Details
i. Long term – looking at least 10 years (and up to 25 years) ahead	Work has commenced on developing a medium term financial plan to cover the period 2023-2028. This plan highlights that there is a significant financial gap between the estimated funding available and the cost of running Council services over that period. Work will continue during 2023/24 financial year in relation to closing this budget gap.

<p>ii. Prevention – preventing problems occurring or getting worse</p>	<p>Proposals have been developed to help prevent intensifying current financial issues in the future. By preparing a medium term budget outlook the Council is mindful of the need to deliver statutory functions as well as considering its wider service provision which contribute to the wellbeing of its citizens.</p> <p>Proposals include protection for some services that enable early intervention and prevention activities that reduce demand on public services whilst promoting wellbeing, for example in social services.</p>
<p>iii. Collaboration – working with other services internal or external</p>	<p>Preparation of a new Corporate Plan and Medium Term Financial plan will include collaboration with partners. During the Coronavirus pandemic the Council has effectively partnered with a wide variety of organisations and future plans will build on these relationships.</p>
<p>iv. Involvement – involving people, ensuring they reflect the diversity of the population</p>	<p>The consultation will be communicated as widely as possible and a significant amount of pre-consultation engagement has taken place.</p>
<p>v. Integration – making connections to maximise contribution to:</p> <p>Council’s wellbeing objectives</p>	<p>The financial settlement and the specific grants that underpin Council services are key to the delivery of the Council’s wellbeing objectives thereby having a positive impact.</p> <p>The proposals will help ensure the business of the Council is managed to maximise the long term benefit for the citizens of Neath Port Talbot (the crosscutting objective relating to governance and resources).</p>

<p>Other public bodies objectives</p>	<p>It is possible to demonstrate the alignment between the Council’s Corporate Plan, the Public Services Board Plan and other key planning arrangements which will ensure a more holistic approach to improving outcomes over the lifetime of all plans.</p>
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9. Monitoring Arrangements

Provide information on the monitoring arrangements to:
 Monitor the impact of the initiative on Equalities, Community Cohesion, the Welsh Measure, Biodiversity Duty and the Wellbeing Objectives.

Officers will monitor the response to the proposals.

10. Assessment Conclusions

Please provide details of the conclusions reached in relation to each element of the assessment:

	Conclusion
<p>Equalities</p>	<p>There are positive impacts in relation to the early intervention and prevention work in social services predominantly for older and disabled people. There are also positive impacts arising from an increase to the schools delegated budget of 6%</p>

Welsh	The budget proposals do not include any reductions in staff numbers so there should be limited impact on the Welsh language. Opportunities remain for staff to use their language skills will and further training will be made available and promoted.
Bio	There is no clear route to demonstrate either positive or negative impact on biodiversity or the resilience of ecosystems.
WBFG	<p>The Council has worked hard to strike the right balance in its budget proposals for 2023/24 including the use of £4.9m from reserves to mitigate the impact of council tax rises as much as possible.</p> <p>This has included increases in funding for some services that enable early intervention and prevention activities that reduce demand on public services whilst promoting wellbeing; protection for integrated services that have been established to deliver more joined up services for citizens; protection for services that have a long term impact on sustainability; and protection for key collaborative arrangements. The areas that have received additional funding are reflected in the four Well-being objectives that the Council has set.</p>

Overall Conclusion

An overall conclusion will be drawn once consultation responses have been received and considered.

11. Actions

What actions are required in relation to obtaining further data/information, to reduce or remove negative impacts or improve positive impacts?

Action	Who will be responsible for seeing it is done?	When will it be done by?	How will we know we have achieved our objective?
Undertake public consultation on draft budget proposals	Chief Finance Officer	Between 19th January 2023 and 10 th February 2023	<ul style="list-style-type: none"> • Consultation responses received
Consider consultation responses and amend proposals where appropriate	Senior Management Teams	During and at the conclusion of the consultation	<ul style="list-style-type: none"> • Revised budget report, including any proposed amendments, for consideration at Cabinet, Cabinet Scrutiny and Council

Public Engagement Sessions Meetings – Summary of Suggestions

- Can we get a campaign together and instead of going to Welsh Government with 10k signatures go with 10k voices? Hard times are coming. Compared to other parts in Wales our jobs are lower paid
- We have specialist occupations in NPT council. We could draw the plans up ourselves and sell the buildings on to generate much more money by taking this approach. Let's try to lift the land value
- Review of assets – make use of building such as the Quays, for example setting up office space for private rental.
- When people retire their posts to be assessed in respect of value for money.
- If you sell the buildings long term that might not be the best approach, but if you develop them you would have an income
- A number of offices are empty, has the Council considered closing certain buildings and bringing everyone into one building?
- In respect of cost of energy has the Council considered installing solar panels and provision of wind turbines?
- Data centres that we hold – could the council hand the cost off to other organisations?
- Talked about the number of processes people had to deal with (5,000 forms). An automated bot could do this overnight. 6,500 Free School Meals forms - why are we not using more efficient systems?
- YDT (registered as a warm space) - with regard land at the back of the building, we asked if we can buy the land – it would be an opportunity for the council to raise money. Also, have you thought about solar panels on buildings?
- What about solar PV panels and private financing arrangements? I work for that company and would welcome contacts to put forward some ideas. I can you give some help on looking at your estate to see where you can save money.
- Reference was made to a review of hybrid working having been undertaken and reduced levels of staff working in the Quays. Should decision be taken to close the Quays this could be turned into a positive with investment and this being part of a bigger project

Appendix 6 – Pre-consultation suggestions

- I am sure there are some services that people would be prepared to pay more for. Is there anything the council provides for free where a small charge might maintain it? I appreciate that some communities are deprived, but there are some people who could easily afford more.
- Are there any plans to increase the council tax on second homes in the county borough – not just holiday homes, but for people who are buying up properties and pushing local people out of the property market?
- Can we go and speak to the bigger companies to see if they will be more forthcoming? / Could we look at some sort of corporate fund from these big companies?
- Regarding the Third Sector we should mention to Rebecca Evans if a sector is struggling so that it is flagged up and so that the Welsh Government can fight for these services with Westminster.
- Advised of links with local renewable energy association and had contacted the previous administration regarding solar panel initiative but had been turned down. Authorities, such as Newport, had made huge savings and asked whether the new administration would work with the organisation on installation at certain sites.
- We have a lot of heritage and culture in NPT, surely organisations can work together to promote these facilities to get people into the town centres.
- I know we can't come out of the tendering system, but we need to look at the tendering system. It's not just the Ukraine that has caused the energy crisis. It's our greedy energy companies. If we were just allowed to get on the phone and get the best prices we could save money.
- The tendering list needs to be looked at it is causing problems
- Can offer free services to NPT There must be a system within NPT where you have the golden thread, where each individual has touched NPT
- We work for CIRCA Resolution – a community system that would create electricity for 60 homes – Could be something to do with data centres – cut and paste projects. Any organic matter – dog poo – started 8 years ago – dog poo powering lights – Cube – do a lot of testing. Why do we send waste elsewhere?

Appendix 6 – Pre-consultation suggestions

- There are countless homes empty. Why can't you put CPO's on them – do them up – help communities. Wheels are turning too slowly. Not received displacement payment.
- It is not statutory to provide free car parking when most people could pay a nominal fee. Is there anything we are offering it for free that we could charge for? It comes down to choices that politicians make – I would rather pay £1 to park at Christmas.
- Given the Welsh Government's view on environmental and climate matters then that might be an option to get some more money
- In order to bring costs down, is it possible to hold dialogue with Town Councils to ask them to reduce their budgets?
- Council employees take a pay cut to bring wages in-line with private wages, reference was made to a recent advertisement for a barrister.
- The number of councillors could be reduced from 60 to 50
- In my current role the Welsh Government are talking about underspends from local authorities in the millions. Are there things that you would like to do that could utilise this underspend

Appendix 6 – Pre-consultation suggestions

Pre Consultation – staff suggestions

Number	Suggestion
1	Further promote Hybrid working , less staff in buildings means less power consumed at the building, and also saves staff expenditure on car journeys
2	Current older council buildings should be reviewed and possibly sold and staff moved to newer buildings. i.e. Ffrwydwyllt House
3	Promote reduced hours for staff, if someone is getting closer to retirement age , might be a saving if activities could be shared with junior staff
4	Review of ER / VR- but not sure this is viable as most services are now stretched
5	Possible review of higher tier management and enhance / empower staff to take on more responsibilities
6	Let the staff choose hybrid, rather than management telling them to come in. If there is no need to be in a building especially if they can function / operate perfectly fine from home
7	Reduce the use of building floor plates in current civic building, move staff to lower floors and shut /reduce power on other floors. Inform staff only to attend and populate rooms if necessary , from ground floor up
8	Use of new Innovation centre in Baglan, as a drop in centre for staff, currently the buildings are modern and have reduced energy consumption. Possibly Quays staff could work there, other buildings could also be adapted for use like the Milland road building
9	Reduce out of borough traveling for meetings and training , when Video conferencing is perfect
10	Potential for PTCC building to be removed,, and a first stop shop solution for the area with a hall for theatre use / Council Chamber. The building is the oldest and probably the worst for energy

Appendix 6 – Pre-consultation suggestions

11	Offer the use of floors / rooms to Welsh assembly staff or other government bodies at a contracted amount. I believe staff from WAG will be moving from Penllergaer and there was talk they might share with Swansea council
12	Enhancement of current buildings with energy efficient technologies, Solar panelling to reduce energy costs, spend to save
13	Further enhancement to the work car pools and move to electrical charging. Maybe use of solar panelling and car ports to help reduce electrical costs
14	Filming – While we currently offer a number of locations for filming, including Margam Park, there doesn't appear to be a consistent approach to speaking to successful production firms and monetising this opportunity. We regularly receive emails to film in NPT without any requirement for a permit or additional charge and often just respond with an "Ok yes this is ok with us". This would be an easy opportunity to raise additional revenue and could be better managed by an additional employed role, or brought within a department. London for example has made £300k alone from filming in the past 2 years
15	Lighting – A number of residents have suggested many of the lights at our closed car parks at night (Neath Multi story) have lights on when not in use and closed to the public. Similarly, the Christmas lights in some parts including the tree outside the civic centre in Port Talbot are on throughout the day. Can there be a review of evening lighting and the implementation of timers for when these lights are not required. This could include public buildings at the weekend for example.
16	Coffee/Vending Machine – While there is no Canteen facility in many of our buildings following the pandemic, there is also a missed opportunity to capture income from staff wanting tea/coffee and snacks. An individual vending machine can make more than £300 per week and similarly better coffee machines than those currently on offer could provide a regular source of income from staff who simply wish to pop downstairs during a busy day rather than have to go in to town to get something to eat or drink. Likewise, a well-placed Costa Coffee machine can deliver over 500 barista-quality hot & iced drinks a day with scope for the authority to earn commission from such a vending machine which can generate around £100 a day

Appendix 6 – Pre-consultation suggestions

17	<p>Dog Fouling – As an authority we have issues with dog fouling in the county borough in locations such as Aberavon Sea Front. A huge number of local residents often take to social media to complain that we rarely take action. This is backed up with the statistics which suggest just two people have received fines in the last 12 months for not picking up after their pets at just £200. Therefore, while Dog fouling is a nuisance it is also an opportunity to better manage the cleanliness of the area, improve feedback and raise revenue at the same time.</p>
18	<p>Fast Track opportunities – A number of organisations and businesses offer a fast track opportunity. While an obvious example might be skipping the line in a theme park, even the UK Government charge £500 for a chance to get a faster decision on a visa or settlement application. The same could be applied to our building control requests, planning applications, or even having a bulky item collected the same day</p>
19	<p>Further reduction in buildings – An obvious one and no doubt under discussion but there are many buildings owned by the Council that simply aren't used to their full capacity. For example much of the civic building remains empty, while having recently had meetings in the Baglan energy centre, the site is almost empty. To reduce costs why not simply move everyone in to one building or look at the leasing costs to business to make these more attractive. We could also consider the sale of property.</p>
20	<p>Generate savings and income – This might include additional opportunity's not just confined to roundabouts but sponsored council vehicles or from the commercial estate such as providing a business lease to run specific activity within Margam castle. For example, Hasbro recently brought the family favourite board game, Cluedo to life just in time for Halloween – but with a modern, escape room twist. With Brits gearing up to celebrate the spooky season, the classic murder mystery game has been brought up to date for a new generation of players as Cluedo Escape: Treachery at Tudor Mansion. This featured the familiar characters and story of the original by adding the fun to a real life building in other parts of the UK. This is something that could easily be replicated at Margam. There should also be greater involvement in decision making across the authority, especially when the now annual and lucrative 'In It Together Festival' was turned away</p>

Appendix 6 – Pre-consultation suggestions

	from Margam when this was such a missed revenue opportunity. We might also which to seek a large sponsor for a bonfire night display or Christmas light switch-on event or boost funds through a major roadside advertising contract.
21	On request' paid collection – During winter months and late autumn when fewer people are doing gardening, we could make additional green bin collections, or during specific events such as Christmas. For example, As the count borough winds down from the festive period, thousands of households and businesses will be looking to take down and dispose of their real trees. However, while real Christmas trees are recyclable and can be easily shredded into chippings, many do not want the hassle of putting these in their cars and having to take them to the recycling centre. Instead, many private firms offer to do this collection disposal for £10, this is a service which could easily be adopted by our authority
22	Plant Sale – Other LA's such as Swansea generate income from plant nursery sales. This includes hanging baskets during the summer months which are planted up, delivered to a residents/business door and fixed in place for £44. I am not aware we offer such as service would many residents would gladly welcome. I believe we already have a relationship with a nursery for some of our parks meaning this could be outsourced for a fee with an easy income generation opportunity
23	Reduce external translation – Currently we spend a great deal of money outsourcing translation. It would be far more cost effective and efficient to employ a full time staff member to translate these words across the authority
24	Review Lord Mayor's events and streamline resources – We currently see our Lord Mayor attend events to simply celebrate someone specific birthday and we chauffer drive that person to an event. Why is there a need for this person to be driven when they could simply drive themselves. We have recently also seen 3 members of the communications and marketing team assist with charitable events such as the Margam Park 10K, Canal Run and Afternoon tea event when really this responsibly would be better managed by the Mayors secretary or within a specific events team

Appendix 6 – Pre-consultation suggestions

25	Shared Media services – A number of council directorates and teams often create and outsource expensive websites, video production, or even create new logos without any input from the marketing and communications team. There is an opportunity to save money by sharing resources and manpower to deliver these services or even by creating a relationship with one overall firm at an agreed fee. In some cases, this content can also be delivered in-house by an already capable team and with additional resources would avoid having to use costly PR and marketing agencies. Likewise, we should include a cost associated with marketing in a client contract such as 'Kier Group' on the Neath Leisure centre or The Plaza to pay for final and post marketing purposes which include video creation on social media and their logo/brand
26	Freedom to purchase stock elsewhere to place ourselves in a stronger position

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Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

Appendix 3 - Only

Not for publication pursuant to Regulation 5(2) & (5) of Statutory Instrument 2001 No. 2290 and Paragraph 14 of Part 4 of Schedule 12A to the Local Government Act 1972. Pursuant also to Paragraph 21 of the Schedule, and in all the circumstances of the case, the public interest in maintaining the exemption, is considered to outweigh the public interest in disclosing the information. This is in relation to Appendix 3 of this report

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet

Thursday 19th January 2023

**Report of the Head of Property and Regeneration
– S. Brennan**

Matter for Decision

Wards Affected: All Wards

UK Shared Prosperity Fund – Approval of strategic ‘anchor’ projects

1. Purpose of the Report:

To seek Members approval on the Neath Port Talbot strategic ‘anchor’ projects to be funded by the UK Shared Prosperity Fund.

2. Executive Summary:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government's Levelling Up agenda. The fund provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

This report seeks Members approval of the five Neath Port Talbot strategic 'anchor' projects to be funded by the Neath Port Talbot UKSPF allocation.

This report follows on from the July 2022 Cabinet report where Members approved the UKSPF regional Investment Plan, which was subsequently submitted to UK government in July 2022 and approved by UK government in December 2022, and the October 2022 Cabinet report where Members approved the UKSPF Implementation Plan and proposed strategic 'anchor' projects.

3. Background and overview of UK Shared Prosperity Fund:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government's Levelling Up agenda. The fund provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

The fund will replace *some* aspects of European Structural and Investment Funds and will invest in domestic priorities and target funding where there is evidence of need including:

- Building pride in place
- Supporting high quality skills training
- Supporting pay, employment and productivity growth
- Increasing life chances

The Fund is a mix of revenue and capital funding and will be ‘unlocked’ via a three year Investment Plan. The Neath Port Talbot UKSPF allocation over 3 years, from April 2022 to March 2025 is:

3.1 Neath Port Talbot allocation

NPT	UKSPF Core	Multiply	Total
	28,448,295	5,938,236	34,386,531

Less 4% administrative fee for Lead Body and regional reallocation of administrative fee.

NPT	2022/23	2023/24	2024/25	Total
Core	3,314,364	6,628,729	17,367,270	27,310,363
Multiply	1,723,470	1,988,619	1,988,619	5,700,708

3.2 UKSPF Investment Priorities and Interventions

There are three UKSPF Investment Priorities:

- 1. Communities and place**
- 2. Supporting local business**
- 3. People and skills**

In addition to core UKSPF funding, there is ‘Multiply’ funding allocation which is currently focused on adult numeracy, however there is on-going discussion to allow more flexibility in the use of the Multiply funding allocation.

3.3 UKSPF Interventions¹

There are a number of pre-approved interventions linked to each of the three UKSPF priorities. Projects will need to be developed in line with these flexible interventions.

¹ <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-interventions-outputs-and-indicators>

3.4 UKSPF Outputs and outcomes²

There are specific outputs and outcomes which need to be delivered by UKSPF projects. These outputs and outcomes will be monitored and reported to UK government on a regular basis.

There will be programme level evaluation in line with the UK government's evaluation strategy.

3.5 UKSPF Governance

The City and County of Swansea is the designated lead Local Authority for the purposes of the UKSPF in the South West Wales region.

Neath Port Talbot Council's Strategic Funding Programmes Team is leading the implementation of the UKSPF for the county borough.

In line with the UKSPF prospectus, local partnerships will be a core component of how the Fund will be administered locally and need to have a comprehensive and balanced membership. The Neath Port Talbot local partnership arrangements for UKSPF are being finalised and will be a consultative / advisory partnership.

The Local Authority Regional Directors Group will provide regional endorsement for the UKSPF projects in the South West Wales region.

An internal Neath Port Talbot Council programme board has been established chaired by the UKSPF Senior Responsible Owner (SRO) for Neath Port Talbot, to ensure appropriate governance and monitoring arrangements are in place.

² <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-interventions-outputs-and-indicators>

Neath Port Talbot Cabinet will have the decision making role in respect of the UKSPF in Neath Port Talbot.

3.6 UKSPF Investment Plan

The regional Investment Plan was prepared by the four local authorities in South West Wales and submitted to UK government in August 2022. It was approved in December 2022.

The Investment Plan is a high level document which identifies challenges and opportunities supported by evidence.

Members approved the regional Investment Plan at the Cabinet meeting in July 2022.

The regional Investment Plan is at **Appendix 2** for information.

4. Implementation

Work is progressing on the implementation of the UKSPF programme on a regional basis to provide as much commonality as possible and consistency with the implementation statement in the regional Investment Plan and UKSPF guidance.

This work is aligned to the following principles:

- That we must achieve a rapid start to ensure allocations are fully taken up each year of the UK Shared Prosperity Fund (UKSPF) programme;
- That implementation will be devolved to the local level, despite the programme being structured around a regional plan and with a regional lead;
- That the UKSPF's interventions will be planned and delivered by local authorities (delegated delivery model) working with local partners via a number of delivery models.

To ensure a strategic, targeted and evidence based approach to delivering the UKSPF it is proposed that the following implementation approach is adopted based on four delivery models:

4.1 Anchor Projects

These are thematic projects managed by anchor teams that will address the challenges and opportunities in the Investment Plan and will deliver major parts of the Investment Plan.

Each Anchor project will be delivered by an anchor team and co-ordinated through a local board / partnership structure to include organisations involved in the delivery of the UKSPF priority area.

The proposed anchor projects for Neath Port Talbot are:

- **Place**
- **Valleys and Villages**
- **Sustainable Communities**
- **Enhanced Business Support for Growth & Innovation**
- **Employability**

4.2 Third party grant schemes

Third party grant schemes will be integrated into the anchor projects to ensure alignment and complementarity of provision with the anchors and UKSPF priorities and will address the challenges and opportunities identified in the Investment Plan. In some areas grant schemes may be run by the sector such as a Third sector grant scheme, however there would be an expectation that the organisation running such schemes would report to the Anchor team. It is envisaged that in each Local Authority these will provide:

- Grants to voluntary and community groups (also town and community councils) under the Communities and Place theme.
- Grants to businesses under the Supporting Local Businesses theme for capital equipment and innovation to improve

productivity, achieve decarbonisation and reduce waste, plus range of other options along business development cycle. Wage subsidies may be funded if targeted on disadvantaged workers.

- Grants primarily to the third sector and private sector to support activity previously supported by national provision e.g. employability.

4.3 Standalone projects

These will be invited by competitive bidding rounds to fill clear gaps in delivering the Investment Plan and meet local need, align to anchor projects, and are not being met by 1 and 2 above.

4.4 Commissioned projects

These will be specified and procured to deliver precisely defined activity that is not being fulfilled by 1, 2 and 3 above.

5. Neath Port Talbot strategic ‘anchor’ projects for Approval

As reported in the report to Cabinet on 19th October 2022, Neath Port Talbot Council officers have been developing strategic ‘anchor’ projects to deliver key areas of the Investment Plan. Officers have consulted widely with key stakeholders on these projects to ensure added value and to avoid duplication with existing programmes. The projects are aligned to UK government guidance to ensure compliance including procurement and subsidy control.

5.1 A summary of the projects is below:

Strategic ‘anchor’ project	Summary description	Officer lead	Project cost / UKSPF request
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<p>Place</p>	<p>The Place ‘anchor’ project comprises 4 interlinked elements:</p> <p>Valley Industrial Units – construction of 14 new business units in 3 locations within our valleys areas</p> <p>Aberavon Seafront Masterplan – to provide a strategic basis on which investment decisions can be made and development opportunities identified.</p> <p>Neath Port Talbot Heritage, Culture & Tourism Fund – a fund to facilitate the delivery of priority heritage, culture and tourism priorities.</p> <p>Place Marketing Campaign - raising the profile of Neath Port Talbot as an alternative year round visitor destination, and seeking to change perceptions of Neath Port Talbot as a place to live, work and visit</p>	<p>Andrew Collins</p>	<p>£6,300,000</p>

<p>Valleys & Villages</p>	<p>The Valleys & Villages Prosperity Fund ('VVPF') anchor project seeks to address the decline in our rural areas and will fund projects that create sustainable growth in our rural communities and enhance our valleys and villages as places to live, visit and work.</p> <p>The £2m grant fund will be established in early 2023 followed by an open call for eligible projects.</p> <p>The fund will be flexible in terms of geography and activity, although projects in our Valleys and Villages will be priority providing they demonstrate local need and respond to at least one UKSPF intervention.</p> <p>Eligible Activity:</p> <ul style="list-style-type: none"> • Commercial Property Grants • Residential Units (Conversion) • Green Infrastructure & Biodiversity • Public realm 	<p>Andrew Collins</p>	<p>£2,000,000</p>
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	<ul style="list-style-type: none"> • Strategic Acquisitions • Town Centre Markets • Shop Frontage Schemes • Digital Towns • Active Travel • Leisure & Recreational facilities 		
Sustainable Communities	<p>The Sustainable Communities Anchor Project comprises 4 interlinked project interventions to support the needs of our communities:</p> <p>Sustainable Communities Growth Fund – The £1m SCGF will increase the support offered to the communities of Neath Port Talbot, addressing areas of need with a focus on the themes of Poverty and Equalities with the aim of supporting growth in our communities. The fund will be flexible, with an initial focus on:</p> <ul style="list-style-type: none"> • Poverty, including the cost of living crisis • Transport 	Angeline Spooner Cleverly	£2,964,954

	<ul style="list-style-type: none"> • Equalities • Youth Activity • Community safety <p>Third Sector Growth Fund – The £1m Third Sector Growth Fund will be managed by Neath Port Talbot CVS to provide grant support for voluntary organisations, charities and social enterprises in Neath Port Talbot. The focus of the grant is on:</p> <ul style="list-style-type: none"> • Skills development, with a focus on young people • Supporting social enterprises • Enhancing rural connectivity • Supporting community assets • Community based measures to support the cost of living crisis • Supporting the circular economy. <p>Poverty Coordination – The Poverty coordination activity will provide resource to coordinate</p>		
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	<p>services across the county borough to enhance support for households and gain intelligence about what additional support is needed to support our communities to inform the development of a Poverty Plan.</p> <p>Youth activity – There are 2 youth interventions: Upstream Cymru Youth Project - to develop a school based youth homelessness project</p> <p>Community youth project – to work with communities to build and support youth provision working in partnership with key stakeholders.</p>		
Enhanced Business Support for Growth & Innovation	The Enhanced Business Support for Growth and Innovation (EBSGI) anchor project builds on the success (and lessons learned) from the more recent UK Community Renewal Fund 'Supporting Business Growth & Innovation'	Julie Davies	£4,857,465

	<p>programme delivered by the council's Economic Development team.</p> <p>Delivery will be focused on five key areas:</p> <ul style="list-style-type: none"> • Support indigenous growth in key sectors • The Foundational Economy • Financial and specialist support • Feasibility studies • Developing and implementing Social Value policies to support the delivery of Community Benefits. <p>It is proposed that the EBSGI anchor project consists of 8 strands;</p> <ul style="list-style-type: none"> • Grant Fund. • Support for Innovation & Growth in Key Sectors. • Supporting the next generation of entrepreneurs. • Local Supply Chain Assessment for 		
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	<p>Floating Offshore Wind (FLOW).</p> <ul style="list-style-type: none"> • Clean Growth Hubs Phase 2. • Neath Port Talbot Strategic Positioning. • NPT Profiling – Innovation and economic opportunities. • Specialist Support. 		
Employability	<p>The Employability anchor project will provide a holistic 'one council' approach to employability across the county, complimenting existing provision, and it is proposed that it will focus on five key strands of activity.</p> <ul style="list-style-type: none"> • School Based Employability & Wellbeing. • Early Engagement activity. • Preparation for Work. • Paid Work Opportunities. • In Work Support. 	Kerry Jones	£5,548,170

5.2 Strategic ‘anchor’ project assessment process

Initial assessment

The Strategic Funding Programmes Team carried out an initial assessment of projects in October 2022.

External assessment

An external assessment was conducted by Jack Straw in November 2022.

Neath Port Talbot UKSPF Programme Board assessment

The Neath Port Talbot UKSPF Programme Board met on 12th December to review the five strategic ‘anchor’ projects and agreed to endorse the projects and submit them to Cabinet for formal agreement.

Formal assessment

The Strategic Funding Programmes Team carried out a formal final assessment in January 2023, which was moderated by the Strategic Funding Programmes Manager.

6. Next steps

Skills

The region is currently developing an implementation plan for the skills priority to ensure a targeted approach to delivering skills challenges and opportunities identified in the Investment Plan. There is approximately £3.5m UKSPF allocation available for the Skills priority

Multiply

There is on-going discussion at a UK level to seek to allow more flexibility in the use of the Multiply funding allocation. Once details have been finalised the region will develop an implementation plan to ensure the Multiply funding is targeted at those challenges and opportunities identified in the Investment Plan

Open call for projects

Once the anchor projects have been approved, there will be a competitive call for projects to fill clear gaps in delivering the Investment Plan that meet local need, align to the strategic 'anchor' projects, and do not duplicate the anchor projects or third party grant schemes. It is expected this will take place in February 2023.

7. Timeline

Date	Activity
13/04/2022	UKSPF Fund launched
April – July 2022	Investment Plan development and consultation with local partners and regional / national stakeholders
August 2022	Investment Plan submitted to UK government
August – October 2022	South West Wales regional working group developing UKSPF implementation plan, processes and governance structures.
Autumn 2022	Investment Plan approval by UK government Finalise the design of the Anchor projects Key stakeholder engagement of Anchor projects
Winter 2022 / 23	Anchor project mobilisation period Launch grant schemes Open call for projects
December 2024	Projects delivery to complete
March 2025	End of UKSPF funding period

8. Financial Impacts:

No implications.

9. Integrated Impact Assessment:

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016.

The first stage assessment has indicated that a more in-depth assessment is not required.

See Appendix 1 for IIA

10. Valleys Communities Impacts:

The nature of the proposed Investment Plan will have a positive impact on the valley communities and is aligned to the Neath Port Talbot Corporate Plan, Neath Port Talbot Economic Recovery Plan and the Wellbeing Assessments.

11. Workforce Impacts:

The Strategic Funding Programmes Team will manage the Fund at the local level, and recruitment is in progress to ensure sufficient resource is in place.

All UKSPF projects will need to ensure appropriate resource is included in the application for funding.

12. Legal Impacts:

Any procurement activities will be carried out in accordance with the requirements of the Public Contract Regulations 2015.

Swansea Council, as lead authority for the south west wales region has entered in to a Memorandum of Understanding (MoU) with UK

government regarding the administration and delivery of the UKSPF including the release of annual funding allocations for the region. Each partner local authority will enter into a Service Level Agreement with Swansea Council to ensure compliance with the MoU and to receive their annual funding allocation.

13. Risk Management Impacts:

There are no risk management issues associated with this report. The UKSPF application form will require applicants to develop a risk register which will be managed as part of the project plan. Due diligence checks will be carried out.

The Strategic Funding Programmes Team will programme manage the UKSPF in Neath Port Talbot to ensure compliant and effective delivery.

14. Consultation:

This item has been subject to external consultation. The following consultation has taken place:

Consultation event	Date
NPT Local Economic Forum – extended meeting	29/09/2022
Regional Local Authority Regeneration Directors	06/10/2022
NPT Local Economic Forum	10/10/2022
All Members Seminar	14/10/2022
Cabinet	19/10/2022
Third Sector Strategic Forum	05/12/2022

A UKSPF engagement plan is in development to ensure regular engagement with local, regional and national stakeholders.

15. Recommendations:

It is recommended that, having due regard to the Integrated Impact Assessment screening:

- 1) Members agree the five Neath Port Talbot strategic ‘anchor’ projects as detailed in this report, to be funded by the Neath Port Talbot allocation of the UK Shared Prosperity Fund and to commence delivery of the strategic ‘anchor’ projects prior to the inter local authority Service Level Agreement is finalised.**
- 2) Delegated authority be granted to the Director of Environment and Regeneration in consultation with the Chief Finance Officer, the Leader and relevant Cabinet Member(s) to agree third party grant criteria and approve third party grant awards via the UKSPF funded grant schemes with regular reporting to Cabinet.**
- 3) Delegated authority be granted to the Director of Environment and Regeneration in consultation with the Chief Finance Officer, the Leader and relevant Cabinet Member(s) to agree any necessary changes to projects to allow flexibility to adapt to challenges and opportunity with regular reporting to Cabinet.**
- 4) Delegated authority be granted to the Director of Environment and Regeneration in consultation with the Chief Finance Officer, the Leader and relevant Cabinet Member(s) to agree to launch an open call for projects under the Skills and Multiply priorities and to target those areas of the Investment Plan not being delivered by the strategic ‘anchor’ projects (as**

detailed in the ‘Implementation’ section of this report, with regular reporting to Cabinet.

16. Reasons for Proposed Decision:

To enable Neath Port Talbot Council to implement the UKSPF Implementation Plan and commence project delivery.

17. Implementation of Decision:

The decision is proposed for implementation after the three day call in period.

18. Appendices:

- Appendix 1 - IIA
- Appendix 2 - regional Investment Plan
- Appendix 3 – Strategic anchor project application forms. (Exempt Under Paragraph 14) Annexe A referred to in these documents are detailed spreadsheets and contain a lot of information and are available on request. (These documents are Exempt Under Paragraph 14 and not available for the Public to view.)

19. List of Background Papers:

UKSPF Prospectus & additional information

[UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

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Impact Assessment - First Stage

It is essential that all initiatives undergo a first stage impact assessment to identify relevance to equalities and the Welsh language as well as an evaluation of how the proposal has taken into account the sustainable development principle (the five ways of working); an incorrect assessment could ultimately be open to legal challenge.

The first stage is to carry out a short assessment to help determine the need to undertake a more in-depth analysis (the second stage).

Relevance will depend not only on the number of people/service users affected, but also the significance of the effect on them.

When completing the first step you must have regard to the following:

- Does the initiative relate to an area where important equality issues have been, or are likely to be, raised? (For example, funding for services to assist people who are victims of rape/sexual violence or individuals with particular care need; disabled people's access to public transport; the gender pay gap; racist or homophobic bullying in schools)
- Is there a significant potential for reducing inequalities, or improving outcomes? (For example, increasing recruitment opportunities for disabled people).
- Does the initiative relate to instances where opportunities to use the Welsh language are likely to be affected or where the language is likely to be treated less favourably? (For example, increase the number of Welsh speakers moving from/to a certain area; closing specific Welsh language services or put those services at risk services;
- Does the initiative relate to the improvement of economic, social, environmental and cultural well-being? To what extent does the initiative prevent things getting worse? (For example, funding for services to assist in cultural well-being; changes in policies that promote independence and/or assist carers)

1. Provide a description and summary of the initiative.

Identify which service area and directorate has responsibility for the initiative.

2. Identify who will be affected by the initiative.

If you answer **Yes** to service users, staff or wider community continue with the first stage of the assessment

If you answer **No** to service users, staff or wider community or **Yes** to 'Internal administrative process only', go to **Question 5 – sustainable development principle**.

3. Using relevant and appropriate information and data that is available to you think about what impact there could be on people who share protected characteristics; whether they are service users, staff or the wider community.

Some things to consider include:

- transport issues
- accessibility
- customer service
- cultural sensitivity
- financial implications
- loss of jobs

Definitions of impacts (either positive or negative):

- High – likely to be highly affected by the initiative
- Medium - likely to be affected in some way
- Low - likely to be affected by the initiative in a small way
- Don't know - the potential impact is unknown

You **must** provide reasons, and indicate what evidence you used, in coming to your decision.

4. Using relevant and appropriate information and data that is available, think about what impact there could be on opportunities to use the Welsh language and in treating the language no less favourably than English.

Definitions of impacts are the same as in **Question 3**.

The classification 'Don't Know' should be categorised as 'High Impact' in both questions 3 & 4.

5. Consider how the initiative has embraced the sustainable development principle in accordance with the Section 7c of the Well-being of Future Generations Act 2015.

Give details of the initiative in relation to the 5 ways of working:

- **Long term** - how the initiative supports the long term well-being of people
- **Integration** - how the initiative impacts upon our wellbeing objectives
- **Involvement** - how people have been involved in developing the initiative
- **Collaboration** - how we have worked with other services/organisations to find shared sustainable solutions;
- **Prevention** - how the initiative will prevent problems occurring or getting worse

6. The most appropriate statement must be selected (and the relevant box ticked) based on the first stage of the assessment and an explanation of how you have arrived at this decision must be given.

In addition a summary of the how the initiative has embraced the sustainable development principle must also be included.

Where the first stage of the assessment indicates that a more in-depth analysis is required the second stage of the assessment will need to be completed and this will need to be started immediately.

A first stage assessment must be included as a background paper for all Cabinet/Cabinet Board/ Scrutiny Committee Reports.

Where the first stage assessment is completed by an accountable manager it must be signed off by a Head of Service/Director.

Impact Assessment - First Stage

1. Details of the initiative

Initiative description and summary:

The UK Shared Prosperity Fund (UKSPF or the Fund) is a central pillar of the UK government's ambitious Levelling Up agenda and a significant component of its support for places across the UK. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

To access its allocation, Neath Port Talbot is required to set out measurable outcomes that reflect local needs and opportunities. These should then inform the interventions we wish to deliver and we are able to choose from investment across three investment priorities of communities and place, local business and people and skills.

These interventions will be set out in a local Investment Plan which will feed into a regional investment plan and then submitted to the UK government for approval.

This first stage IIA relates to the development of the Neath Port Talbot Local Investment Plan.

Service Area: Property and Regeneration

Directorate: Environment & Regeneration

2. Does the initiative affect:

	Yes	No
Service users		x
Staff	x	
Wider community	x	
Internal administrative process only	x	

3. Does the initiative impact on people because of their:

	Yes	No	None/ Negligible	Don't Know	Impact H/M/L	Reasons for your decision (including evidence)/How might it impact?
Age		X			L	The nature of this plan will have no impact on this characteristic.
Disability		X			L	The nature of this plan will have no impact on this characteristic.
Gender Reassignment		X			L	The nature of this plan will have no impact on this characteristic.
Marriage/Civil Partnership		X			L	The nature of this plan will have no impact on this characteristic.
Pregnancy/Maternity		X			L	The nature of this plan will have no impact on this characteristic.
Race		X			L	The nature of this plan will have no impact on this characteristic.
Religion/Belief		X			L	The nature of this plan will have no impact on this characteristic.
Sex		X			L	The nature of this plan will have no impact on this characteristic.
Sexual orientation		X			L	The nature of this plan will have no impact on this characteristic.

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4. Does the initiative impact on:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence used) / How might it impact?
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People's opportunities to use the Welsh language		X				In line with the Council's Corporate Plan and Welsh Language policy, any publications or public communications regarding the project, to include press releases, social media posts, etc. will be translated into Welsh and will be released with no time delay
Treating the Welsh language no less favourably than English		x				In line with the Council's Corporate Plan and Welsh Language policy, any publications or public communications regarding the project, to include press releases, social media posts, etc. will be translated into Welsh and will be released with no time delay

5. Does the initiative impact on biodiversity:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence) / How might it impact?
To maintain and enhance biodiversity		X			L	The nature of the investment plan will have no impact on biodiversity.
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.		x			L	The nature of the investment plan will have no impact on this biodiversity.

6. Does the initiative embrace the sustainable development principle (5 ways of working):

	Yes	No	Details
Long term - how the initiative supports the long term well-being of people			<p>The proposed project will support the Council's Corporate Plan to Recover, Reset, Renew, by delivering directly towards the following Well Being Objectives:</p> <ul style="list-style-type: none"> • All children get the best start in life • All communities are thriving and sustainable • Our local environment, heritage and culture can be enjoyed by future generations • Jobs and skills - local people are skilled and can access high quality, green jobs
Integration - how the initiative impacts upon our wellbeing objectives			As above
Involvement - how people have been involved in developing the initiative			As above
Collaboration - how we have worked with other services/organisations to find shared sustainable solutions			As above
Prevention - how the initiative will prevent problems occurring or getting worse			As above

7. Declaration - based on above assessment (tick as appropriate):

A full impact assessment (second stage) is not required	X
Reasons for this conclusion	
In line with Neath Port Talbot IIA screening form guidance, it has been determined that a full assessment is not appropriate in this instance, as the scheme will have a low impact on protected characteristics.	

A full impact assessment (second stage) is required	
Reasons for this conclusion	

	Name	Position	Signature	Date
Completed by	Julia Lewis	Strategic Funding Officer	J.Lewis	21.06.2022
Signed off by	Simon Brennan	Head of Service/Director	S Brennan	21.06.2022

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UK Shared Prosperity Fund

Investment Plan Drafting Template

Version 2
May 2022

Your location

To be eligible for funding, you will need to be applying on behalf of a lead authority in one of the [delivery geographies](#).

Select the lead authority: Swansea Council

For Scotland and Wales only: Who else is this investment plan being submitted on behalf of? Select all that apply

Carmarthenshire County Council

Neath Port Talbot County Borough Council

Pembrokeshire County Council

Your details

Name:

Email address:

Phone number

Organisation name: Swansea Council

Local challenges and opportunities

In this section, we will ask you:

- If you've identified any challenges or opportunities, you intend to support
- Which of the UKSPF investment priorities these fall under

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

South West Wales has a diverse economy and a unique set of natural and cultural assets. Economically, our industrial heritage combines with some of the UK's most significant marine energy potential, driving major opportunities for decarbonisation and the growth of the UK's Green Economy. Environmentally, the coastline and countryside – including the Pembrokeshire Coast and Brecon Beacons National Parks and the Gower Area of Outstanding Natural Beauty – contribute to a superb visitor offer and quality of life. Culturally, the region encompasses the dynamic, growing university city of Swansea, a diverse and distinctive network of rural towns and an increasingly vibrant Welsh language.

The region contains much diversity, especially within the rural/ urban dimension. Despite diversity across the region, there is substantial commonality, and some of the big opportunities have a region-wide footprint. However, some of them extend beyond the region itself, and outward facing links will be important. A range of key questions present themselves under the banner of community cohesion:

- How we respond to the needs of our ageing population so that people can live healthy, long and good lives;
- How we can continue to deliver excellent public services whilst unprecedented cuts to public spending continues;
- How we can reduce the gap between the least and most deprived in each county, especially our children and young people so that every child has the best start in life;

- How we help communities to sustain themselves and build a climate where people look out for one another;
- How we balance the changing expectations of a generation who demand services through new technologies, whilst making sure that those who are presently digitally excluded are not left behind;
- How we make sure we protect and enhance our local environment so that it can be appreciated for many generations to come;
- How to address loneliness, isolation, mental health;
- How we rebalance the distribution of opportunity and wealth between urban centres and rural / valley communities.

Common challenges across the region under the Communities and Place priority are:

Revitalising City Centre, Town Centres and Villages

Swansea City Centre, our towns and smaller communities are the focal points for economic and social activity across the region. The move away from the high street to internet and out-of-town shopping, coupled with a lack of fit for purpose commercial and retail premises were creating growing levels of vacant premises and declining footfall even before the covid pandemic.

Declining footfall and increasing costs are reducing businesses' ability to invest in the appearance of their premises. This has a negative impact on attractiveness of high streets and local pride in place, and creating a downward spiral. This situation has been exacerbated by the pandemic, with the failure of local and national retailers leading to increased numbers of vacant premises and successive lockdowns hitting footfall, marring the vibrancy of high streets across the region.

Springboard data for June 2022 shows that, whilst footfall in Swansea city centre is starting to recover it remains 24.2% below pre pandemic 2019 levels. In Pembrokeshire, vacancy rates remain above Wales' national average for Fishguard, Haverfordwest, Milford Haven and Pembroke Dock. Milford Haven town centre recorded the highest vacancy rate of A class units in Pembrokeshire in 2021 at 29%.

There is an imbalance in uses across places between retail, leisure, hospitality, residential – and the start of a shift that occurred during the pandemic to build on. There is a lack of smaller scale commercial space for micro businesses and opportunities to capitalise on the potential for co-working spaces in local communities to provide an alternative to the increase in home working that has occurred during the pandemic.

This is a continued need to invest in the city centre, town centres and villages across the region to:

- encourage sustainable growth and their transformation into places to live, work, learn and take part in leisure activities;
- Attract a greater diversity of uses;
- Enhance the town centre environment, public realm, heritage and cultural offer, both for existing residents and for new investors and visitors;
- Improve accessibility (for example, building on the experience of the new Port Talbot transport interchange);
- Secure alternative uses for redundant properties, including meanwhile use;
- Attract commercial investment;
- Develop opportunities for community ownership and leadership.

Up to this point a predominance of capital funding and lack of revenue support has constrained the ability to design targeted interventions to support communities and business such as events and other footfall generators.

Covid Recovery, Poverty and Cost of Living Crisis

In common with all parts of the UK, South West Wales continues to suffer from the impact of the Covid pandemic and subsequent global economic shocks impacting on cost of living. For example, approximately 21,000 working age adults and 7,500 children live on an income of less than 60% median in Neath Port Talbot, household incomes (£16,262 in 2019) in Swansea are below Wales (by 5.8%) and UK levels (by 24.1%) and growing more slowly, 29,444 households in Carmarthenshire are living in poverty. These lower wage levels are being squeezed by the cost of living crisis with rising energy and food costs making it

increasingly difficult for households to make ends meet, with fuel and food poverty impacts amongst others. Those in the most difficult circumstances prior to these shocks are now in an even worse position. Food banks are prevalent across the region.

The pandemic has increased loneliness and isolation, reduced confidence and had a negative impact on mental health. Limitations in information flow within communities, and an over-reliance on social media, leaves out significant part of demographics of places. We need to create opportunities to bring people back into local community activity, and build capacity in local communities and empower more grass roots activity to reduce the dependency on the public sector

According to the End Child Poverty Coalition, commenting on DWP data from May 2020, Pembrokeshire has the highest rate of child poverty in Wales with 31.3% of children living in poverty after housing costs were taken into account. The effect of poverty on children has been well-researched, and is known to result in poorer physical and mental health, lower educational attainment and impaired life chances whether measured in terms of career progression, contact with the criminal justice system or life expectancy.

Poverty is found in every part of the region, and in many places there are above average rates of poverty and deprivation that will require more targeted interventions. In the 2019 Welsh Index of Multiple Deprivation (WIMD), Swansea has an above average proportion of its Lower Super Output Areas (LSOAs) featuring in the most deprived 10% in Wales, with 17 (11.5%) of its 148 LSOAs in the 191 (10%) most deprived. In Neath Port Talbot, the greatest concentrations of deprivation according to WIMD 2019 were in Sandfields and Aberavon within the Port Talbot urban area, Briton Ferry, parts of Neath and the area around Croeserw in the upper Afan Valley. More generally, the distribution of deprivation is associated with parts of urban Neath and Port Talbot and with the post-industrial upper Valleys.

With the continued increase in the cost of living the challenge is to improve living standards to ensure those in employment are not worse off than they were on benefits. There is an increased requirement for additional welfare rights support, debt advice, financial support and digital inclusion to access online services, as well as ensuring access to wellbeing enhancing facilities and open spaces, but also extends to involvement in and benefiting from community-based measures to reduce the cost of living.

Ageing population

Responding effectively to the needs of ageing population can place additional pressures on services, therefore helping people to age well and lead as independent lives as possible is both a challenge, and an opportunity. A key consideration in this regard is ensuring that older people have access to existing cultural, historic and heritage institutions to counter the effects of isolation. This extends to ensuring that older people have access to local sports facilities to enjoy appropriate and relevant activities to increase wellbeing. In addition, the rates of older people in poverty are increasing, thought in part to be as a result of individuals entering retirement with insufficient savings or earnings. This is made worse by the rising cost of living and compounded by the fact that pensioners have very little opportunity to increase their income to counteract these effects. Evidence also indicates that pensioners are least likely to check what benefits they are entitled to. It is therefore imperative that older people are able to benefit from community-based measures to reduce the cost of living.

Disability and Health Conditions

A significant cohort of individuals with disabilities or limiting health conditions exists across the region. It is particularly important therefore, that consideration is given to ensuring that these individuals are able to make positive contributions to their local communities and enjoy the services and activities available. There are opportunities here to ensure that improvements made to existing (or the creation of new developments) are designed with these individuals in mind. This is both an access issue and a relevance issue. In addition, individuals from this group are more likely to be detrimentally affected by the cost-of-living crisis and therefore there are opportunities here to support these individuals through inclusion in developments designed to counter these affects (as noted above). Since the onset of the pandemic, there has been an increased complexity in support needs seen with mental health issues, contributing to individuals needing longer and more intense periods of support.

There is much evidence which substantiates the positive impacts that the natural and built landscape can have on wellbeing, serving to counteract the sometimes-devastating effects of mental health issues for

individuals and their families. There are clear opportunities here for consideration to be given to the design of community-based interventions and in improvements made to the accessibility of these services.

Wellbeing

Covid-19 has had a severe impact on mental health. Mind Cymru has reported that more than half of adults (60% of those over 25) and three quarters of young people (74% of those aged 13-24), said that their mental health has worsened during the period of lockdown restrictions in spring 2021. Loneliness affects the mental health of young people more significantly than the mental health of older people. While over three quarters (78%) of young people said that loneliness had made their mental health worse during lockdown, this rose to 85% for 18–24-year-olds.

Isolation is not limited to older people - there are also many young people that lack the confidence and ability to access services, many of whom do not have access to transport.

Rural and Valley communities

South West region is characterised by rurality, which sets our places and destinations in stunning natural environment, but also presents challenges in delivery of and access to services in areas of very low population density, ongoing viability of small farming communities, transport connectivity, and balancing pressures of destination management from a tourism/visitor perspective, and sustainable development and survival of local communities.

All four counties have a significant part of their geography in rural settings, which read as a continuous green and coastal belts. Around the city core of Swansea and suburban town centres, 60% of the county is rural in nature, with significant pockets of semi-rural settlements interspersed with suburban zones. An estimated 61% of the population of Carmarthenshire live in rural settings. Beyond the coastal strip and the major towns of Neath Port Talbot, the county borough is extensively rural, containing several relatively remote, primarily post-industrial communities. North of the M4, settlement patterns follow the main valleys: east to west, these are the Afan Valley, the Vale of Neath, the Dulais Valley, the upper Swansea Valley and part of the upper Amman Valley around Gwaun-Cae-Gurwen. Rural Neath Port Talbot also contains important natural and heritage assets, including Afan Forest Park and the Aberdulais Falls. These read across to Clydach, Mawr and Pontardulais in Swansea county, leading through to Ammanford and the West. Carmarthenshire is characterised by a relatively high number of sparse settlements anchored by three main towns; Carmarthen, Llanelli and Ammanford. Home to over 190,000 people it is the 4th largest county in Wales in terms of population size and exhibits a comparatively low population density of 80.2. Carmarthenshire's topography is one that creates a number of challenges and subsequent opportunities, the most pertinent are explored below in the context of some key themes.

These communities face unique challenges and opportunities when compared to the urban areas that are consistent with the rural economy across Wales. Close proximity to larger urban centres in the region often overshadows the unique rural challenges faced in the region.

Public transport is a major challenge and a barrier to accessing employment to those within valley and rural communities. Reliance on public transport has become more and more difficult due to service bus cuts - where buses do run they run on a limited time schedule which is not appropriate for early morning or late evening shift working. Transport availability impacting on the health of residents within rural and valleys areas due to being unable to attend hospital, dental and GP appointments.

Tourism is a key sector in the rural economy, and there is an established and growing network of local food and drink producers that are putting South West Wales on the map as a food destination.

The stunning natural environment is at the heart of the 'quality of life' proposition, and of central importance to the wider region's tourism offer and to its attractiveness to potential residents and investors. The close proximity of the natural environment and dense urban settings is both a challenge and a major unique selling point, but needs to be handled sensitively and sustainably.

Links between production and the network of large and small retail centres throughout the region were highlighted during the early months of the Covid pandemic, and even a small shift in buying habits was more

than small traders could cope with, pointing to a 'making do' situation on smaller high streets that retains vibrancy and a good income for small traders where appropriate.

Delivery of services and the subsequent access to those services creates specific challenges including:

- Lower population densities make achieving relative economies of scale difficult, this can include a low number of customers for services to support, making delivery costs expensive as well as limiting potential engagement opportunities.
- Large travel distances increase the time and cost for accessing services, this can hinder an individual's ability to feel connected to their communities, worsen isolation and reduce feelings of local pride and belonging. This is especially pertinent for marginalised groups.
- Poor digital connectivity and issues with 'the last mile of connectivity' remain a significant challenge for many in the most rural areas, although this has improved somewhat in recent years.

There is a need for interventions to support the recovery and growth of rural towns and their surrounding areas, including opportunities to enhance physical, cultural and social ties and amenities through focusing investment to create quality places that people want to live, work, play and learn in.

Access to Services

21.4% of Carmarthenshire's and 38% of Pembrokeshire's Lower Super output areas are identified within the top 10% most deprived in relation to access to services (Wales Index of Multiple Deprivation 2019). This is largely due to the rurality of the counties. The third sector plays a significant role in delivering services and reaching vulnerable residents within these counties, and across the wider region, which has been particularly evident during the pandemic. There are opportunities to expand and build on the third sector's role in delivering effective and resource efficient services and to further support structural changes within the sector.

Climate emergency/ decarbonisation and Nature Emergency

Dealing with the climate and nature emergency, and contributing to net zero ambitions by supporting local communities and businesses to reduce their carbon footprint, improve habitats and enhance biodiversity. This includes the need to consider climate risks and interventions for climate adaptation and maximising the potential for renewable energy and increasing green infrastructure and urban greening in communities vulnerable to climate change. There is a lack of signage and legibility of green spaces where these intersect with urban settings.

Environmental challenges include:

- Air quality;
- Flooding in our main town centres;
- A lack of green space and play space required to enhance biodiversity and improve health and well-being.
- Loss of habitat and key infrastructure as a result of flooding, storms and erosion, agricultural intensification. Invasive non-native species and development pressure worsened by the effect of climate change and a need to improve resilience of infrastructure on the back of this
- Reduced biodiversity

Linked to town centre regeneration, there is still a challenge in achieving accessible good quality green spaces, and access to the natural environment from our urban spaces across the region. Consideration needs to be given to access for marginalised groups.

More needs to be done to reap the benefits of green infrastructure in all its variations from buildings and infrastructure to low carbon climate resilient infrastructure, renewable energy generation and skills development to prime the workforce for the Green economy.

In addition, more needs to be done to harness the potential of the circular economy which is a key element of the net zero agenda and has many elements (from re-fit, repair, re-making through sustainable design and manufacture to considerations of natural resources and land use). In addition, the circular economy approach can also be used to engage citizens and raise awareness of climate change and the decarbonisation agenda.

This will promote investment in a more circular / regenerative economy - promoting more sustainable use of our natural resources and using waste as a resource.

Crime

A rise in anti-social behaviour has been recorded across town centres. In the year to June 2021 there was a 5.7% decrease in overall recorded crimes in Swansea, on the previous 12 months, but the biggest increases (over +10%) occurred in possession of drugs and public order offences. Anti-social behaviour and street homelessness are influencing perceptions of local high streets and there are opportunities to introduce targeted structured longer term interventions to address these issues. New Public Space Protection Orders have been put in place for parts of Swansea City Centre, Morriston high street and Haverfordwest. Of the 10% (190) most deprived Lower Super Output Areas (LSOAs) in Wales in terms of Community Safety, six are within Carmarthenshire which cover the three community areas of Carmarthenshire's biggest three towns; Llanelli, Carmarthen and Ammanford, 15 are in Swansea, 6 in Pembrokeshire and 5 in Neath Port Talbot.

Some of the challenges linked to Anti-Social Behaviour are as follows:

- Difficulty to evidence the issues and put in place appropriate interventions due to under reporting;
- Youth disengagement and the need for diversionary activities in our communities, particularly post covid / lockdown;
- Public perception - there has been significant investment recently to regenerate and develop our towns which is overshadowed by bad press and media about a small number of individuals causing issues;
- Neighbour disputes have increased dramatically during lockdown and there continues to be issues around some of these, despite restrictions lifting.

Challenges around domestic abuse is as follows:

- The changing picture of domestic abuse as technology has moved on over the past few years - we are seeing more issues about stalking, scams, cyber-crime in domestic abuse cases;
- Number of victims with very complex needs who need more than just support for domestic abuse but other factors like mental health or addiction, we need to make it easier for people to access the support;
- There have been gaps in Relationship and Sexuality Education (RSE) delivery throughout lockdown and we are now seeing the effects of that, with children not as aware of healthy relationships as they would have been, or consent and similar topics.

Tourism, Sport & Leisure, Culture

Tourism and cultural activities are an important driver for the region, both in terms of employment and economic contribution. There are opportunities for further growth. Experience of place is a key mission of the Regional Economic Delivery Plan based on the rich fabric of destinations interspersed throughout the region. The sheer variety of offer within easy travel reach presents a compelling offer, but challenges remain, and securing sustainable growth with respect to net zero and respecting impact on local communities and how to harness the opportunity successfully to their benefit not detriment. This sector has also been severely impacted by the effects of the pandemic and behavioural change which has a lasting legacy for workforce and capacity. Research shows that leisure and cultural activities are key to ensuring we have positive well-being and help alleviate loneliness and provide a sense of purpose. Increasing access to such facilities is also a key priority.

Some of the key challenges include:

- Encouraging overnight stays to increase the economic contribution of tourism;
- Establishing regional destinations as an 'alternative' destination with on-going investment in the tourism product;
- Changing the perceptions of parts of the region as predominantly urban or industrial area to gain recognition for regional assets in terms of valley and rural areas, coast and urban areas.

Swansea received over 4.79m visitors in 2019, with tourism generating over £477m expenditure in the local economy. Investment is needed in tourism, cultural, sporting and leisure assets across the county to improve quality, breadth and sustainability of the 'experience' offer for both visitors and residents alike. Promotion of this offer more widely will raise the profile of Swansea as an attractive place to live, work, visit, study and

invest and increased participation of local residents in cultural, sporting and leisure activities will have a positive impact on wellbeing

Heritage

In some areas there is a lack of interpretation of key sites and destinations and understanding of heritage of these places for local and civic pride, and reading as a destination on the back of those stories. For example, in Swansea whilst there is a rich industrial heritage there are difficulties supporting key listed buildings and structures and 'heritage for heritage sake' is impacting on lack of civic pride in place. Run-down buildings and facilities in parts of county, and in particular character features e.g. locally manufactured brick and pennant stone features, are not understood or emphasised.

Active Travel

Overall priority of private vehicles is also having a major impact on legibility of places, and damaging character and destination. Active travel routes need to take priority to enable people to move safely and sustainably between local communities to access local services and employment. Large sections of our population are in transport poverty needing to spend 10% or more of their income to run a car for example (Sustrans Cymru).

Transport is frequently raised as an issue which exacerbates loneliness and isolation. Smaller and lower density rural and valley communities face particular challenges where access to public transport is poor especially for those with mobility issues. Even in urban areas people have difficulty accessing transport as in many instances they cannot get to the bus stop. Community transport is provided to enable older people, many of whom live alone, to access social activity which reduces isolation and keeps attendees mentally active, but employment zones are often difficult to reach with limited timetables from mainstream transport providers, which needs consideration. Timing of services rarely takes account of shift working patterns etc.

Digital

The Covid-19 pandemic has changed the way we live our lives for many of us. Being online has been invaluable during the pandemic, allowing us to remain connected with family and friends, access information and guidance, work from home and use a wide range of services. While many have embraced new ways of accessing digital services, however, there is an increasing digital divide - 11% of our citizens remain offline and excluded from the vital services they need as more and more government and local authority services go online. The lack of digital skills and internet access have a huge impact on people's lives. Access to digital connectivity, technology and skills, are essential to ensure that everyone has an equal opportunity, and nobody gets left behind in this digital society. 41% of people aged 75 plus still do not use the internet. Support for older people to get online is a priority to reduce social isolation and have access to the essential services they need.

Welsh Language

A key overarching theme to be considered in the capitalisation of the opportunities mentioned above is the Welsh language. This extends to the protection, promotion and facilitation of the Welsh language in everything that we do, recognising its importance in creating a sense of place for Carmarthenshire and its people. This is in line with the Welsh Government's ambition to have 1 million people in Wales speaking Welsh by 2050 and more local strategic ambitions at a Carmarthenshire level.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Wales Regional Economic Delivery Plan, and relevant local plans and strategies.

Regional Economic Delivery Plan

The Regional Economic Delivery Plan's three 'Missions' will guide future activity over the next ten years and beyond. They are designed to give a clear direction of travel, while remaining sufficiently broad to accommodate a wide range of potential investments that will come forward over time. The three high-level Missions are as follows:

Mission 1: A UK leader in renewable energy and the net zero economy

Looking to 2030, we aim to make South West Wales a UK leader in renewable energy. That means taking advantage of our natural assets and our industrial and R&D capabilities to build an internationally-significant presence in future fuel technologies and to drive the decarbonation of our industrial base and the wide economy

Key Actions:

- Additional Capacity to drive forward the agenda
- Progressing the region's major renewable energy generation projects
- Attracting and driving forward industrial investment
- Decarbonising transport and the housing stock

Mission 2: Building a strong, resilient, and embedded business base.

"Business is at the centre of our strategy to 2030. It will be through the expansion of existing firms and the start-up and attraction of new ones that new employment will be generated and productivity growth secured. That means supporting sustainable business growth – both at the 'leading edge' of technology and innovation and across the economy"

Key Actions:

- Accelerated adoption and innovation support (linked with the recommendations of Wales 4.0 in relation to business, skills and innovation support)
- 'Progressive procurement' within a local business and supply chain development system

Mission 3: Growing and sustaining the South West Wales 'experience' offer

"South West Wales enjoys a superb environment and a unique 'quality of life' offer. This is a key asset for the region, and one which we must protect and enhance. We will make South West Wales known for the quality and breadth of its 'experience' offer', bringing together urban and rural environmental quality, 'quality of life' and culture. This will support a high-value visitor economy – but it will also be locally owned and a central part of our investment proposition".

Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Cities, Towns and Villages

South West region contains the second largest and smallest of Wales' cities in Swansea and St David's.

The larger district centres in Swansea were largely born of the legacy of the industrial revolution as dormitory zones for the major metal and mining industries across the county, but as the worst effects of the industries fade, attention is turning to telling the story and as part of that enabling local entrepreneurship in all its senses to flourish from a strong base of community and voluntary activity to new micro businesses across all sectors many of whom are beginning to breathe new life into ailing high streets. There is a need to create affordable, attractive and sustainable places to live, learn, work and play across all settings which enhance footfall and patronage to embed local resilience to help weather current and future shocks.

Revitalisation of City Centre, Town Centres and Villages

- Achieving positive influence on places to help foster successful balance of commercial premises of differing sizes, affordable and market housing and complementary facilities.

- Easing 'reading' and navigation of places through softening of public realm, clear and attractive signage and making the most of digital technologies
- Meanwhile space support building on successful pilots and emerging learning and changes in working practices to reduce vacancy rates on high streets and increase footfall to support local businesses
- Increase in events, cultural, sporting and leisure activities to add vibrancy and drive footfall in the city centre and high streets
- Building 'passcards' to enable fluid access to local and central venues to work
- Targeting investment on core towns and villages to strengthen their offer and help them become centres for growth, locations for key hubs to re-engage communities and achieve holistic provision of services.
- Working in partnership, to build sustainable places with excellent public transport and active travel infrastructure, integrated green infrastructure, and critically, mixed-use town centres that meet local needs.
- build on the key role that town centres have in building sustainable places as identified by the Welsh Government Town Centre First principle, which requires new commercial, retail, education, health and public services to be located in town centres.
- Following place-based regeneration model for town centres following the 'Placemaking Wales' approach to create sustainable places and ensure they are appropriate to the place and best support the community
- maximise the opportunities of our town centres and to boost the variety of services on offer in towns – creating flexible working and living space; and increasing access to services and leisure. A number of activities are emerging from the strategy for towns including:
 - The conversion of vacant commercial floor space into residential accommodation;
 - Enhancement and upgrade of vacant commercial floor space into beneficial business use;
 - The provision of green infrastructure and biodiversity projects;
 - The provision of small-scale public realm enhancement schemes;
 - Small-scale acquisitions;
 - The development and enabling of local markets;
 - The establishment of temporary meanwhile or pop up uses in vacant premises;
 - Collective external shop frontage enhancements;
 - Digital towns to support Wi-Fi analytics and Lora Wan networks;
 - Provisions supporting or facilitating active travel routes;
 - Dedicated support to provide toilet provisions;
 - The provision of outdoor play facilities, multi-use games areas (MUGAs) and outdoor recreational pursuits.

Covid Recovery, Poverty and Cost of Living

- Activities to help people emerge from pandemic isolation and embrace opportunities through existing and new community activities, e.g. utilise community buildings to create easily accessible 'warm places' in local communities that can provide a focal point for services and create a place for people to meet, eat and use shared facilities. Helping people to reduce costs and addressing loneliness and isolation.
- Improve local measure for information flow within communities outside of social media
- Providing opportunities for people to engage in volunteering and local community activity, to build capacity in local communities and empower more grass roots activity to reduce the dependency on the public sector
- support communities with the cost-of-living crisis with a focus on fuel and food and other poverty that impacts on our citizens. Build on the work of the 'safe and well' initiative established as the humanitarian response to the pandemic and continue to maximise the impact of working in partnership with the Third Sector.
- The Covid-19 pandemic placed significant strain on our local communities, places and services - introducing socio-economic challenges and exacerbating existing ones. As part of the effort to build back stronger and encourage investment we need to focus our attention to the areas of the region that are key to delivering these outcomes.

Maximising Heritage, Tourism, Culture and Sport Potential

- Feasibility and works for conservation areas and key listed and other important historic structures that embody pride in place, unique selling points and destination, including enhancement of features

constructed of local materials and character e.g. locally manufactured brick and pennant stone features that are not understood or emphasised;

- Better means of telling the story of places for local communities and visitors
- Step-change in interpretation of key sites and destinations and understanding of heritage of these places for local and civic pride and reading as a destination on the back of those stories
- Building capacity and investing in tourism, leisure, sporting and cultural facilities and activities to improve quality of life and the 'experience offer' for residents and visitors, and improve health and wellbeing
- Supporting implementation of key masterplans
- Maximising the potential of the region coast, valley and rural, urban centres, heritage and culture
- heritage-led tourism regeneration opportunities for the development of the visitor economy including community focus to enable heritage groups to play an integral part in the decision making process around the future of heritage assets and sites alongside other key partners.

Rural and Valleys Communities

- Building on the momentum developed through the Rural Development Programme to support active, resilient and connected rural communities and businesses
- Developing shorter circular supply chains between consumers, producers and suppliers, linking rural and urban areas
- learn lessons from the Leader approach and will develop the opportunity of creating a fund to support our valley and rural communities. Work with partners to develop a strategy to target investment in our valley and rural communities and villages.

Active Travel

- Rebalancing priority of private vehicles vs pedestrians and introducing active travel to improve legibility of places, and enhance character and destination
- Maximising the opportunities of alternative accessible models of transport – utilising community transport, car clubs, car schemes, wheels 2 work and also utilising electric vehicles

Decarbonisation/ Climate Adaption and Supporting Nature Recovery

- Enhancing biodiversity and the connectivity of habitats across the region by investing in green infrastructure in local communities
- Improving energy efficiency and carbon footprint of community facilities
- Capitalising on the potential for low carbon energy generation
- Improving signage and legibility of green spaces where these intersect with urban settings
- Working with partners to develop a more circular / regenerative economy - promoting more sustainable use of our natural resources and using waste as a resource to mitigate against climate risks and develop interventions for climate adaptation.
- Investing in specific proposals to adapt to changing climate patterns
- Supporting small scale improvements to air and water quality, and mechanisms to unlock development in areas currently restricted by high nutrient levels
- Natural solutions to challenges linked to climate change, health, wellbeing and cost of living (e.g. flood and nutrient load attenuation, community food growing and access to greenspace)

Crime

- Targeted structural long term interventions to reduce anti-social behaviour on local high streets
- There are opportunities to use innovative solutions to tackle Anti-Social Behaviour, to further develop links with Youth Justice and the Youth Service to look at bridging any gaps and further improve on services. There is an opportunity for a joined up approach across all UKSPF priorities to tackle disengagement.
- It is important to continue to increase awareness of all forms of domestic abuse, through a variety of means, and ensure appropriate training is available.

Digital

Digital transformation over the last few years has changed dramatically. The pandemic has forced us to be more digitally connected. People are now able to work from home in a seamless way, which has improved connectivity and collaboration. Still need to provide opportunities for those who are digitally excluded.

Linking in with community groups to deliver digital inclusion sessions in community building to those who do not have internet access or digital equipment. We need to work with individuals and groups to keep them safe when using digital technology and how to use their equipment and devices correctly to get the best out of digital services.

The Council will work with the Third Sector to ensure organisations are promoting digital inclusion by linking in and identify areas that need support to access digital services.

Reasonable broadband provision across the region opens up opportunities for rural businesses and communities to find additional and innovative ways of exploiting digital infrastructure to improve their communities and place.

Community cohesion

- There is an opportunity for Local Area Coordinators to work with the community to identify and respond to the challenges, needs and opportunities of their local areas.
- Provide capacity support to build on community activities which increased during the pandemic and build resilient communities.
- Work with partners to enhance and support community/cultural/heritage and sporting facilities that are important to our communities.
- There is an opportunity to maximise volunteer effort in communities building on the work that has started during the pandemic where communities are taking pride in where they live.

Foundational Economy

There is potential to explore new approaches to community-led economic development, building on the more active use of local public sector procurement, small business growth in the foundational economy. The establishment of community ownership models, where these present opportunities to retain local wealth from key assets (for example through energy generation, where receipts from local renewable energy schemes could help to incentivise take-up); or where community-owned assets might generate a long term return from economic goods that might prove otherwise commercially unattractive (e.g., small-scale commercial property).

Opportunities to drive local business development through 'progressive procurement' models. Typically, these involve weighting local employment and supply chain benefits within the procurement process; and breaking down commissioning into smaller lots to enable smaller local firms to compete.

A Framework for Regional Investment in Wales (FRIW)

Our proposals under this priority are consistent with the outline of the Framework for Regional Investment in Wales and consistent with the priorities outlined therein.

Priority 1: More Productive and Competitive Businesses

"We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market"

Priority 2: Reducing the Factors that lead to Economic Inequality

“We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence³⁹ shows that inequality has a negative impact on economic growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people”

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

Link to Levelling Up Missions

Mission 7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years

For men, Healthy Life Expectancy is above the Welsh average (61.5 years) for the period 2018-2020 in both Swansea (61.9 years) and Pembrokeshire (61.8 years) but below in Carmarthenshire and Neath Port Talbot (both 59.7 years). For women, the picture is different with only Pembrokeshire, at 65.8 years, having Healthy Life Expectancy above the Welsh average (62.4 years) for the period 2018-2020, and Carmarthenshire (61.8), Swansea (60.5) and Neath Port Talbot (57.9) all below

The absolute gap in healthy life expectancy for females at birth in each county is starkly different with a 3.3 year gap when comparing the least to the most deprived fifth in Pembrokeshire, 8.9 year gap in Carmarthenshire, 17.2 year gap in Neath Port Talbot and 19.8 year gap in Swansea for the period 2018-2020. For males, the absolute gap in healthy life expectancy is lowest in Neath Port Talbot with a 10.2 year gap between the least to most deprived fifth, followed by Carmarthenshire at 10.8 years, Swansea at 14.9 years, and Pembrokeshire with the largest gap at 15.1 years, for the period 2018-2020.

These values pre-date the pandemic consequently, it is not known what impact the pandemic will have had to these values. Data from Public Health Wales Observatory

https://publichealthwales.shinyapps.io/PHWO_HealthExpectanciesWales_2022/

Mission 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

Mental wellbeing scores, according to the Warwick-Edinburgh Mental Wellbeing Scale, are available for people aged 16 and over from the National Survey for Wales. This data shows that mental wellbeing levels for 2018-19 (the latest data available) were lowest in Pembrokeshire (49.7), followed by Swansea (50.3) and Carmarthenshire (51.1), with only Neath Port Talbot (52.1) above the Welsh average (51.4).

Mission 11. By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.

There is an opportunity for a collaborative approach, working with partners and the community to achieve this target.

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

In the years leading up to the Covid pandemic, the South West Wales economy performed strongly in generating new jobs: By 2019, there were some 322,000 jobs in the region, an impressive increase of 20,000 on the 2013 figure.

Reflecting the region's population distribution and historic industrial development, the largest concentrations of employment are in the east, around Swansea Bay. Swansea itself accounts for around 40% of jobs in South West Wales (and is its main commuter destination), and the area around Swansea Bay and Llanelli is defined in Future Wales as a 'National Growth Area' for new jobs and housing. The east of the region also contains a distinctive and extensive concentration of manufacturing activity at Port Talbot, including the UK's largest steel plant and the Port Talbot Waterway Enterprise Zone.

Further west, around 20% of national energy supplies enter Britain via Pembrokeshire, with the Haven Waterway a major centre for existing energy infrastructure and the exploitation of new opportunities. More broadly, Carmarthen and Haverfordwest have important roles as regional centres, supporting an extensive rural economy and food production industry. Reflecting the environmental quality, the region enjoys extensive environmental designations, including the two National Parks and AONB and special protections along much of the coast. This environmental quality supports a large, important and growing visitor economy as well as delivering significant wellbeing benefits to our local residents.

However, there is still a large and persistent productivity gap with the rest of the UK. The region's economic weaknesses are largely structural, linked with long-term processes of industrial change (which in some respects are still ongoing), and are shared with other regions in Wales and the UK. Realising the scale of many of the region's future growth opportunities will require sustained public investment, alongside the private sector.

'Transformational' growth opportunities need to be balanced with the conditions for incremental improvements in resilience, capacity and capability across the whole of economy. There are distinctive opportunities at the 'leading edge' linked to the expertise within Swansea University and University of Wales Trinity Saint David – but long-term employment resilience and wage growth will depend on the sustainability, productivity and expansion of the wider stock of SMEs in the region.

Common challenges across the region under the Supporting Local Business priority are:

Low Productivity and Wage levels

There is still a large productivity gap in South West Wales, which impacts on local prosperity. Productivity (the amount of GVA generated for every filled job) was around £46,300 in South West Wales in 2020. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. As well as generating higher output per worker, the key challenge is ensuring that the productivity gain is captured locally in pay, conditions and business opportunities.

In all parts of the region average gross weekly pay for full time workers is below the UK average, with only Neath Port Talbot, at £596.80, having wage levels above the Welsh rate (£562.80). In broad terms the region has an overrepresentation of employment in lower paid, lower skilled sectors and a lower quota in high paid and skilled sectors.

Key Sectors

The region has strengths across a number of sectors - some of which align to the region's science and research assets in health & medicine, engineering & manufacturing and computing & data science – including advanced manufacturing, agri-food, creative industries, energy, health, care & life sciences and software/digital. The majority fall outside the traditional foundational economy and offer the greatest potential for higher productivity, higher wages, higher levels of growth and higher employment potential.

Neath Port Talbot has a distinctive economy in terms of its sectoral balance, with manufacturing accounting for around 25% of total output and 19% of employment (compared with 10% in the UK and 17% in Wales).

While manufacturing's share of output has fallen over the past twenty years (from 37% in 1998) and with a sharp contraction – mainly accounted for by the steel industry – in 2014/15, it has since stabilised and remains highly significant. Neath Port Talbot remains one of Wales' most important manufacturing locations, so the challenge is to build resilience and growth through strategies that focus on diversification, upskilling, developing supply chains to support growing sectors such as renewable energy and the introduction of technological advancements.

Local challenges in Pembrokeshire relate to weakened traditional key strategic sectors, which have been affected by the restrictions imposed during the pandemic, the loss of EU workers or which otherwise need to adapt to the post-Brexit environment, and increased costs in their supply chains. Sectors particularly affected by difficulty recruiting staff include the hospitality and leisure, construction, retail and care sectors. Price increases in the supply chain are particularly evident in the construction industry, and in catering/hospitality.

Reliance on Micro and Small Businesses

There are some important major employers (such as the Valero refinery in Pembroke and Tata Steel in Port Talbot and Llanelli), but the region's business profile is skewed towards micro and small businesses, with 94.3% of all enterprises being micro businesses (0-9 employees).

In Pembrokeshire, in particular, there is still a preponderance of lifestyle businesses that lack innovation potential or dynamism, and which cannot offer career progression for those working in them, although this is now slowly changing.

If we are to realise notable economic growth and increase productivity, there is a need to focus on supporting small businesses to upscale including social enterprises, co-operatives and employee owned businesses as well as traditional SMEs. Through utilising the rich foundation that already exists we will increase local spend and harness the potential for more localised growth in community wealth and wellbeing, drawing together business, people and place. Social businesses are good employers who often provide work and training opportunities to people considered furthest from the workplace and they usually employ people within a very close proximity to the business's base. There are opportunities to further develop growth in this sector.

An over-reliance on micro and small sized enterprises presents unique challenges and requires business support mechanisms which are targeted, yet flexible and consider the unique set of challenges and barriers to scaling up those businesses face. These include;

- Talent recruitment and retention – Several sectors have faced recruitment and retention challenges following the pandemic. Difficulty accessing the right skills, in the right place, at the right time, stunts a business's ability to meet demand and, in some instances, diversify their service or offering.
- Access to finance and investment – Businesses are often constrained in starting or growing owing to lack of affordable or available finance. The finance support landscape can be complicated for smaller businesses to navigate, and without a dedicated resource seeking out these opportunities many small businesses miss out on financial support available. In many cases the businesses are viable enterprises but lack the sufficient cash within the business and/or personally to make investment. The result of this is that business growth and levels of self-employment/start-ups are stifled. This is evidenced in applications to the Swansea Start-up scheme where it is often cited that the existence of the grant fund has been the primary catalyst in allowing the business to begin trading. Over 40% of respondents to the Swansea Business Needs Survey highlighted that finance (or lack of access to this) is their primary barrier to business growth. In terms of overall business barriers this ranks only second behind overhead/premises costs which in some respects can be related to the former.
- Achieving economies of scale – It is more difficult for smaller businesses to achieve economies of scale since they lack the resources and capital to take advantage of the benefits presented, in many instances the risks far outweigh the benefits of exploring these options, simply because of their size.
- Taking advantage of procurement opportunities – Many small businesses report barriers in taking advantage of local procurement opportunities. Recent primary intelligence gathered indicates that many businesses find the process complicated, or they lack the skills and capacity to undertake the bidding process. Advancing progressive procurement is a key objective in the Regional Economic Delivery Plan, with a focus on community wealth building.
- Access to suitable premises – There is recognition that access to modern and appropriate premises offer businesses a competitive advantage, providing access to customers and infrastructure which will support the business to grow and develop.

- Access to and making better use of technology – Digital connectivity is an overarching priority for Carmarthenshire and is a key driver in achieving economic growth. Ensuring that businesses have access to ultra-fast and ultra-reliable digital connectivity is crucial, and whilst progress has been made in identifying coverage problems across what is predominantly a rural county, work continues to intervene and improve connectivity where the need exists. This will ensure that businesses are able to confidently operate and compete in a global economy whilst retaining their base in Carmarthenshire.

Low Business Start up Rates

With the exception of Pembrokeshire, the region has a lower 'enterprise density' (the number of enterprises relative to the working age population) than the UK average and in all parts of the region the start-up rate is lower than in the rest of the UK. 5 year survival rates are above the UK average (39.6%) in all counties, while only Swansea (39.9%) and Neath Port Talbot (40.0%) fall below the Welsh average (40.4%)

A stagnant start-up rate is a barrier to growth and suggests a lack of confidence and capacity within the economy. Evidence highlighted in recent work on the Innovation prospects for Carmarthenshire suggests that the potential entrepreneurial capacity of the county is amongst the highest in Wales. Therefore, whilst current businesses within the county need relevant support there is also a need to focus on creating an ecosystem which harnesses existing entrepreneurial flare across the region and making South West Wales an attractive place to start a business.

Whilst many individuals looking to start-up their own business have a strong vision and technical skillset for the business they would like to run, they often lack the necessary business skills in the day-to-day running and management of their enterprise. This often presents in poor understanding of cash flows, marketing plans and/or business strategy.

This issue is exacerbated by the perceived confusing business support landscape. Many are unaware of the support available or overwhelmed by the array of organisations operating in this area. In Swansea, the lack of a Business Centre and Start-up incubators intensifies the issue. The result means that entrepreneurs struggle to access important funding streams owing to schemes' requirements of basic business plans, cash flow forecasts and/or business strategy.

The Swansea Business Needs Survey identified that over 30% of respondents did not access the available business support services because they found the avenues too confusing and/or overwhelming. Almost half of all respondents to the survey were unaware of the support available and in many cases will have wrongly assumed that there is no accessible support available to them.

An opportunity exists to provide targeted and local level support to individuals looking to start a business. This support would serve to complement existing business support initiatives and look to create a wrap-around level of support that is easily accessible and delivered by individuals with invaluable knowledge of the local business landscape.

South West Wales has a strong base of social businesses and has the potential to stimulate more. Research illustrates that social businesses offer additional social impact and value in South West Wales with missions that involve actively improving local communities, improving health and well-being, addressing social exclusion and supporting vulnerable people. Supporting Pre-start/ new start support and small grants for early-stage social enterprises is therefore important, working with communities on the ground to formulate enterprising ideas that address economic and social issues within their area.

Lack of Available Premises

There is a widely-recognised gap between demand and supply for industrial sites and premises, as low rents (and in some cases high remediation and infrastructure costs on ex-industrial land) make viability challenging, especially west of Swansea. The evidence is that this acts as a brake on business expansion, both to new investors and to existing local businesses seeking 'grow-on' space. In terms of office space, Swansea dominates the market, although Swansea's Local Development Plan identifies a lack of available, high quality office space to meet inward investment and economic growth needs, combined with an oversupply of sub-standard office space at central and out of town locations. It is generally regarded that public sector investment is needed before commercial developers are willing to invest.

Access to short-term, affordable premises is limited, and business rates provide a further barrier for small scale, local, independent businesses looking to start up or relocate, particularly around Swansea city centre. This has been highlighted by the Swansea Meanwhile Spaces Pilot Project which has worked to match vacant High Street premises with would-be occupiers, many of whom are micro-scale, start-up and/or locally owned enterprises.

Rising Costs

The spiralling costs of fuel and raw materials (including food) is a significant challenge for businesses and is directly impacting their ability to remain profitable, and in some cases causing business closures. From 2020 to 2021 the average cost of Electricity and Gas for non-domestic consumers rose by 11.8% and 24.4% respectively. Such costs have escalated further in Q1 and Q2 of 2022 and this is a major contributory factor to the rising rate of inflation which is at a level unseen since February 1982 and was recorded at 9.1% in May 2022. Rising interest rates will negatively impact consumer spending and stagnate economic growth, causing further difficulties for local businesses.

Decarbonisation

Currently, regional carbon emissions are much higher than the Wales and UK average. These mostly reflect the role of the huge Tata works at Port Talbot, an industrial installation of national significance that remains reliant on coal inputs.

Neath Port Talbot generated around 7,165 kt of CO₂ emissions in 2019. Between 2005 and 2019, total UK emissions fell by around 36%. Neath Port Talbot's reduction was much smaller – around 9% - from a substantially higher base. While domestic, public sector and commercial emissions largely fell in line with the UK average, the difference in Neath Port Talbot is accounted for by the steelworks at Port Talbot, with the county borough's distinctive industrial structure driving the highest carbon intensity of any local authority area in the UK.

This points to a key environmental and economic risk in the context of the commitment to net zero by 2050 and a nationally significant industrial base with significant challenges in effecting low carbon transition in the medium term.

In striving to meet net zero carbon targets by 2050, businesses across the region have a vital role to play by making changes to save energy, reduce waste and carbon emissions and introduce more climate friendly related policies. However, access to expert advice and training will be a necessity in order to provide the necessary knowledge and recommendations required to deliver these changes.

Localism/ Foundational Economy

The foundational economy is a crucial element of the region's economic identity and makes an incomparable contribution to social wellbeing. This is substantiated by the high numbers of businesses operating within sectors that are deemed foundational. These include, but are not limited to; Wholesale, Retail, Transport, Hotels, Food and Communication. In Carmarthenshire alone there are 3,130 businesses operating within these sectors generating turnover of £2,441 million and employing over 20,000 people. Additional broader sectors include; Construction and Tourism, both key economic and employment drivers within Carmarthenshire and the region as a whole. The importance, therefore, of the foundational economy to the region cannot be overlooked. The effects of the pandemic were acutely felt by businesses operating within these sectors and whilst recovery is progressing well, challenges remain.

The opportunities afforded through the localism approach will look to address some of the most pertinent challenges, ensuring that these businesses are supported to access the right skills at the right time, have access to increased capital investment, have access to better infrastructure and make better use of technology. This will safeguard them, fostering sustainable growth and increased resilience.

Developing sustainable local supply chains will boost the foundational economy and have a direct benefit on the environment, improve continuity of supply, enhance corporate reputation, encourage new partnerships and reduce operational costs. Businesses need support in accessing local supply chains and tendering for local contracts.

Welsh Language

In Carmarthenshire in particular, the Welsh language is an important consideration in terms of business support and at a county level much work has been done in recent years to support businesses to improve and take advantage of their Welsh offer. There is recognition that more can be done in this space, therefore where possible and applicable businesses should continue to be supported to develop their Welsh language presence and offer. This serves to meet the needs of the 43.9% of the local population that speak Welsh but also is an important consideration in the ability of businesses to play a key role in the cultural landscape of the county.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Regional Economic Delivery Plan, and relevant local plans and strategies. A consistent menu of project interventions is evolving, but the specific context of local need and requirements is presented below.

Regional Economic Delivery Plan

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Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Carmarthenshire Opportunities

Carmarthenshire Economic Recovery and Delivery Plan (CERDP)

Theme 1 - Business

“Safeguarding our existing businesses, supporting new start-ups and growing businesses in our foundational and growth sectors to become more productive and competitive”

Theme 2 – People

“Protecting jobs, responding to significant expected unemployment, helping people gain the skills needed for the jobs that will exist, and creating new and better-skilled employment”

Theme 3 – Place

“Ensuring a fair distribution of opportunities through investing in the infrastructure and adaptation of our strategic growth areas, town centres, the rural economy and regenerating our most deprived communities”

Four cross-cutting priority ambitions:

- Ultra-reliable digital connectivity, digital culture and skills – improving connectivity, tackling the associated challenges to deployment and intervening to make improvements in digital connectivity both now and for the future.
- Skills - supporting people and businesses to retrain, re-skill, and up-skill through blended traditional, online and work-based learning.
- Green economy – adding economic value through keeping resources in use and where waste is avoided, invest in low carbon and climate-resilient infrastructure, renewable energy and sustainable homes.
- Fair and equal economy and support for the Welsh language and culture – supporting peoples culture and well-being with local, fair, decent and secure employment

Exploring the Innovation Prospects for Carmarthenshire (EIPC)

The purpose of this study was to review the current position of Carmarthenshire and to inform CCC’s local innovation strategy in the coming years. The following 4 opportunities conclude the report and have been derived from consultations with stakeholders and documentary analysis:

- Opportunity 1 - Digital: Enhancing Digital connectivity and exploiting Digital opportunities across Carmarthenshire
- Opportunity 2 - Health: Development of a dispersed living laboratory
- Opportunity 3 - Foundational Economy: Sustainable food procurement
- Opportunity 4 - Circular Economy: Leveraging a CE approach for the Net Zero Agenda

Neath Port Talbot Opportunities

The **Neath Port Talbot Economic Recovery Plan** identifies a number of opportunities which fall under the Supporting Local Business Investment Priority, including:

Transitional Economic Base

one of the four key areas for action in the Neath Port Talbot Economic Recovery Plan is *'Entrepreneurial and resilient economy: Strengthening our SME base – in all sectors and across the county borough - through a better coordinated approach to support, premises and finance and a renewed focus on sustainable 'indigenous' business growth at community level'*

Neath Port Talbot has a distinctive economy, with a large industrial base, including the UK's largest original steel producer and a wide range of SME manufacturers. It also contains significant opportunities for future growth, especially associated with the major waterfront sites and the Enterprise Zone, the potential for industrial decarbonisation and the prospect of future Freeport designation. In addition to the concentration of strategic sites and industries in the M4 Corridor, the county borough is diverse, including the towns of Neath, Port Talbot and Pontardawe; and the Afan, Amman, Neath, Dulais and Swansea Valleys. Looking beyond Neath Port Talbot itself, there are strong links with Swansea, and along the M4 to Cardiff and beyond.

Sectors

Neath Port Talbot Council is ambitious for the future and takes a proactive approach to economic development and providing support to encourage innovative business growth. As the economy emerges from the Covid-19 crisis, and to complement the Wellbeing Assessments, the Council has developed an Economic Recovery Plan for the medium-to-long term, focused on achieving employment and business growth within a more diverse and resilient economy.

Employment concentrations are smaller and more dispersed in the post-industrial and rural parts of the county borough, with, in general more limited prospects for employment growth at scale although there are significant opportunities coming forward, such as the Global Centre for Rail Excellence at Onllywn).

Decarbonisation

Despite the substantial challenges presented by high industrial carbon intensity, Neath Port Talbot has significant opportunities associated with industrial decarbonisation (which is itself a key focus of the Regional Economic Delivery Plan).

In May 2020, Neath Port Talbot Council launched its Decarbonisation and Renewable Energy (DARE) Strategy – which sets out how the Council will act to counter climate change, both by reducing its own carbon footprint and by working with others to bring forward key investments in renewable energy and low carbon technologies. During a recent visit in March 2022 by the UK's Climate Change Committee, they commented on how impressed they were to see the Council not just writing reports but actually delivering on its initiatives. They were also impressed at the collaborative nature of working arrangements across the county borough between industry, academia and local government which works incredibly well for all concerned. A number of opportunities linked to decarbonisation include:

- Advanced Manufacturing in low carbon technologies
- Demonstrating the potential of low carbon technologies and industries
- Developing renewable energy potential
- Decarbonising infrastructure and the built environment – Neath Port Talbot CBC recently commissioned a ground breaking initiative with the construction of the award winning £7.9m Bay Technology Centre which was completed in 2022 and is the first commercially energy positive building in Wales which has recently won the prestigious Net Zero Award in this year's Constructing Excellence Wales (CEW) Awards held in June.
- Significant potential to take a lead in the drive to decarbonise the economy, through existing assets (e.g., the Hydrogen Centre at Baglan and renewable energy capacity) and scope for innovation and adoption within industry.

The Council will work with **academia** and **industry** to realise these opportunities via direct support through growth funds and support.

The Council also recognise that SMEs will be key to successfully delivering any decarbonisation programme as they will need to adapt to new employment opportunities. This presents a challenge as the pandemic has affected investment and work schedules so finding the time and resources to invest in upskilling staff or in new ways of working such as retrofitting and green skills, may not be at the forefront of their immediate plans. In addition, there does seem to be a disconnect between Net Zero policy goals and the appetite of business to

engage – until there is a market for these new skills and products, SMEs may not be keen to “buy into” these new concepts.

Capacity for growth – Infrastructure

There are a number of opportunities for growth including:

Transport – to maximise road infrastructure, rail connections and the Port of Port Talbot

Digital connectivity – ensuring all premises have high speed reliable digital connectivity

Commercial property - Despite Neath Port Talbot’s position as a major industrial location and evidence of high demand for industrial stock, supply remains relatively constrained with a viability gap and the need for direct public intervention to bring forward significant schemes to address the lack of industrial premises across the county borough including the valley and rural areas. .

Key area for action in the Neath Port Talbot Economic Recovery Plan - Transformational investment and change: Ensuring continued investment in (and the capacity to deliver) our major strategic sites at Port Talbot Waterfront and Baglan Bay; the key opportunity associated with the Global Centre of Rail Excellence; and the range of long-term – but in some cases emergent – actions to support industrial decarbonisation.

Key employment sites

There are nationally-significant strategic sites (e.g. at Baglan Bay) with potential for major development over time – the sites are linked with excellent connectivity and have significant commercial interest. There are a number of strategic sites with potential for further growth, including:

Baglan Energy Park

Harbourside

Port Talbot docks

Opportunities to build on the knowledge base include the fact that much of Swansea University is within Neath Port Talbot, with potential for stronger industry links and the role of the universities as economic drivers themselves. The **Swansea Bay City Deal** projects and programmes have been designed to provide a catalyst for future opportunities which will be progressed with the UKSPF programme of interventions.

The opportunities listed above together with skills provision outlined in the People and Skills section will improve productivity and increase pay, giving everyone the opportunity to access value added jobs. The Council also recognises the opportunity of the Third Sector contribution to the local economy

Pembrokeshire Opportunities

Within Pembrokeshire, the following opportunities will be likely to form the basis of UK SPF “Supporting Local Business” investments, subject to the assessment and selection process:

Strategic Development Sites. The Port of Milford Haven (including onshore energy sites), Pembroke Dock (Port of Pembroke) and Pembroke Dock Llanion are all important strategic sites around the Milford Haven waterway that are critical to our ambition to create the UK Green Energy Capital contributing at least 20% of the UK’s hydrogen production and 10% of the UK’s Floating Offshore Wind (FLOW) targets, as set out in the British Energy Security Strategy. The Milford Haven Waterway Future Energy Cluster will also support the development of low carbon liquid fuels, CO₂ shipping, marine renewables and energy storage, thus playing a pivotal role in supporting an accelerated transition to a net zero economy while stimulating substantial economic growth.

This context provides important opportunities to enhance suitable industrial, commercial and office spaces to support energy, marine, engineering and related sector growth around the Milford Haven Waterway, including strategic developments such as an expansion to the Bridge Innovation Centre and associated improvement at Pembrokeshire Science Park at Llanion.

Other significant sites are starting to see the benefit of feasibility work, promotion and wider support from the county and its Private Sector Partners. These include Withybush Airport, where recent feasibility work has identified relatively modest investments that could support the airport’s ability to service the tourist market, in particular. At the same time we are currently exploring a number of leads with aviation innovations, both in terms of enhanced attractions and innovations in the industry which could support a new industry era. Opportunities also present themselves at Trecwn, a former MOD owned site in north Pembrokeshire

which has potential for redevelopment and renewal. Its rail and road accessibility, in addition to its close proximity to Fishguard Bay are making the site increasingly attractive to both energy producers and manufacturers. Modest infrastructure investments will secure such developments, enabling much needed employment opportunities in the north Pembrokeshire.

Pembrokeshire Food Park

Pembrokeshire benefits from some of the best quality agricultural land in Wales, an asset we should seek to capitalise upon for the county, its community and in support of wider Welsh and UK food sustainability. Pembrokeshire has benefited from EU and Welsh Government investment to catalyse development of Pembrokeshire Food Park, a joint venture with Welsh Government. This investment has supported further development by the private sector and the creation of Pembrokeshire Creamery alongside the successful and expanded Puffin Produce. Further planned joint venture developments include the creation of a series of incubator units to support fledgling food businesses in the County. We are keen to work with local food businesses to further enhance this trend, seeking funding to invest in development to meet increased demand.

Swansea Opportunities

Swansea Economic Recovery Action Plan

To support the recovery of the local economy from the covid-19 pandemic the Council in conjunction with Regeneration Swansea partnership has developed an economic recovery action plan for Swansea, This sets out the additional actions we need to take to support businesses, support individuals and improve resilience of the local economy in light of the pandemic.

The Economic Recovery Action Plan is focusing on the key aims of:

- Raising Confidence – driving footfall in city and district centres to support local businesses
- Supporting Businesses – business support, small scale financial assistance, access to premises and local supplier development to support start up and existing businesses
- Championing Local Food – to increase accessibility to and promotion of local food, and raise the profile of Swansea as a food destination
- Supporting Tourism – improving market intelligence, destination marketing, online marketing and business engagement and partnership working
- Developing Skills & Employability – extending and adapting employability provision including paid work placements and support for self-employment/ entrepreneurship
- A Sustainable Economic Recovery – new Regional Economic Delivery Plan, regeneration of the city centre and district centres, supporting move towards net zero carbon by 2050, building capability and promoting investment in green infrastructure

Within the context of the REDP and the Swansea Economic Recovery Plan, the following opportunities have been identified through local partnership discussions to respond to local challenges:

Low Productivity and Wage Levels

- Maximising the potential of the research and development expertise in the region's Universities to support local business growth, innovation and productivity gains.
- Securing high profile business conferences to capitalise on new Digital Arena

Reliance on micro and small businesses

- Locally tailored wrap around support for small businesses, complementing Business Wales provision, to support growth and job creation
- Progressive procurement to drive local business development opportunities and shorten supply chains

Low business start up rate

- Small scale business grants to overcome cost barriers to starting new business/ self-employment and co-ordinated local business support offer, complementing Business Wales provision, to nurture start-ups and improve survival rates

Lack of available premises

- Meanwhile space support building on successful pilots and emerging learning to provide low cost opportunities for start up businesses and reduce vacancy rates on high streets

Rising Costs

- Advice and small scale grant support for small businesses to reduce their carbon footprint and associated energy costs – building on pilot green innovation grant introduced with CRF funding

Decarbonisation

- Advice and small scale grant support for small businesses to reduce their carbon footprint – building on pilot green innovation grant introduced with CRF funding
- Developing the market and building expertise for new ideas such as green infrastructure
- Exploiting the potential for local carbon energy sources

Link to Levelling Up Missions

Mission 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

Average earnings in South West Wales (workplace based) have risen by 25.1% since 2011 to stand at £559.30 in 2021, however this is below both the Welsh (£562.80) and UK (£612.8) levels. At county level, Pembrokeshire has the lowest average earnings at £532, with Neath Port Talbot the highest at £596.80 in April 2021.

The employment rate in South West Wales has improved over the last ten years, from 64.8% in 2011 to 71.7% in 2021, although it still lags behind the Welsh (73.1%) and UK (74.7%) levels. Across the region, Pembrokeshire has the highest employment rate at 74.4% with Carmarthenshire having the lowest at 69.1% in 2021.

In 2020, productivity (measured as GVA per filled job) was around £46,300 in South West Wales. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. Productivity is highest in Neath Port Talbot at £48,600 in 2020 and lowest in Carmarthenshire at £43,100.

Mission 2. By 2030, domestic public investment in Research & Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.

The local authorities work effectively with academia and industry by creating the right environment to ensure the region maximises the opportunity of RD&I public investment to support the growing research, development and innovation clustering across the region.

A Framework for Regional Investment in Wales (FRIW)

The proposals for this priority sit comfortably within the Welsh Government Framework for Regional Investment in Wales described as follows:

Priority 1: More Productive and Competitive Businesses

“We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market”

Priority 2: Reducing the Factors that lead to Economic Inequality

“We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence³⁹ shows that inequality has a negative impact on economic

growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people”

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these challenges, give evidence where possible

South West Region works through its Regional Skills Partnership in coordination and understanding of skills needs working closely with business and providers to understanding the evolving landscape of need and demand.

Common challenges across the region under the People and Skills priority are:

High Economic Inactivity Rates

In South West Wales 20.9% of the working age population (excluding students) were economically inactive in December 2021, above both the Wales (19.9%) and UK (17.6%) averages. Carmarthenshire has the highest economic inactivity rate of the 22 local authorities in Wales at 23.8%. The rate in Neath Port Talbot (21.1%) and is above the Welsh average, while both Swansea (19.5%) and Pembrokeshire (19.3%) are below the Welsh average, but above UK rate. Students are excluded from these figures as the region has an above average level of students.

A number of factors have likely contributed to this higher rate across the region, including:

- The region is home to an above average level of people with disabilities and long-term limiting health conditions which pushes them further away from the labour market.
- The region is home to an above average level of people who are retired.

This is a significant barrier to growth for the region, as the economically inactive represent a significant source of labour supply which is a crucial element of a well-functioning labour market. This is also concerning given that being inactive for a long period of time can negatively impact a person’s wellbeing, health and life-satisfaction. This is therefore a fundamental issue to address in the ambition to improving the life-chances of individuals and grow the local economy.

A key challenge is engagement with the economically inactive, which requires community-based interventions to support to overcome barriers, build confidence and increase motivation to start looking at skills and employment.

Following the pandemic, an increased number of economically inactive have low confidence, are isolated, have disengaged with their communities, and therefore, have difficulties accessing the support needed. There

is a need to raise aspirations and awareness of opportunities and to create pathways to accessing the skills and support needed to progress into employment.

Unemployment

Claimant count unemployment rates vary across the region from 3% in Carmarthenshire in May 2022, 3.1% in Pembrokeshire, 3.2% in Neath Port Talbot and 3.6% in Swansea - which is above the Welsh level (3.4%) but below the UK (3.8%). In Swansea, unemployment rose rapidly at the start of the pandemic, and while the unemployment rate has gradually decreased over the past 2 years it is yet to reach levels seen prior to the pandemic in March 2020 (3.4%). In common with other counties, there is significant disparity in unemployment across different local areas of Swansea with disadvantaged areas experiencing unemployment rates above the average - Townhill (8.1%), Penderry (6.9%), Castle (6.6%) in contrast to other areas below the average; Mayals (1.1%), Llanyfelach (1.3%). There is a challenge to ensure that people from the most disadvantaged communities across the region are not excluded, and provision is in place to ensure inequalities to accessing opportunities are reduced within communities.

Barriers to Skills and Employment

Unemployed and economically inactive people in the region face a range of complex barriers, which prevent them from accessing skills and employment opportunities. A challenge under this priority is to engage with, support and motivate the economically inactive and unemployed to overcome these barriers to progress them into the labour market.

The effects of the pandemic have increased loneliness and isolation, reduced confidence, motivation, self-belief and aspirations and has had a negative impact on people's mental health and their ability to engage with support services. A key challenge is rehabilitating these individuals to become more confident leaving the house and increasing their motivation levels to look for employment. This challenge is even more acute due to delays in accessing specialist support services including counselling and therapy support. There is a need for consistent one to one support e.g. a key worker.

Some of the key barriers people face include:

- Lack of Confidence and motivation, wellbeing and aspiration.
- Social isolation, digital exclusion.
- Issues with mental and physical health
- Low or no skills, lack of specific skills or qualifications, lack of experience in the workplace.
- Rising costs of living-poverty, transport barriers
- Availability of quality, flexible and affordable childcare
- Geographical locations make learning inaccessible for some living in our valley and rural areas as transport is a major barrier, especially when most learning provision is in town centre locations.

On skills, a key challenge for local people in accessing opportunities is the lack of relevant qualifications, knowledge of skills needed and life and employability skills. A further challenge is to support people to recognise their personal skills and abilities and to help them, through a personalised skills plan to identify and source the right skills needed aligned to the local labour market demand. This would equip people with the skills needed to access to more opportunities to capitalise on local economic growth and economic development opportunities such as the City deal, in turn, ensuring the local communities are more prosperous and productive.

There are opportunities to provide intensive, wrap-around, one-to-one support led by a key worker to move these individuals closer to the labour market which would provide tailored mechanisms to make the movement from inactivity to employment as simple a transition as possible. This should be in the format of a cohesive system where careers guidance is provided in conjunction with the identification of skills needs which are directly related to the ambitions of that person and the needs of the local economy. This extends to highlighting and promoting the importance of work as well as exploring development in the context of basic skills, work-ready skills and vocational training to reduce the chances of drop-off and discouragement.

Vulnerable groups

There is a gap in current provision focussing on employability and skills for key groups of vulnerable individuals with further complex barriers and challenges to entering the labour market. Investment is needed

to provide intensive key worker support and focussed interventions to address the inequality to accessing opportunities for these disadvantaged individuals. Key groups include the following:

- Children Looked After (CLA) aged 16+ and Care leavers
- Young people post 16 linked with the Youth Offending Service
- Young people pre-16 with Additional Learning Needs or at risk of becoming NEET
- Vulnerable young people 16-24 who are disengaged from the labour market.
- People affected by work limiting health conditions and disabilities
- Refugees and Asylum seekers
- BAME
- Women
- Prison leavers and ex-offenders
- People with care responsibilities
- Individuals from Jobless households
- Individuals linked to and referred by the Community Health team
- Over 50s unemployed due to the pandemic

Qualifications Levels Below UK Average

Over time, there has been a steady improvement in qualification levels in the region: in 2021, 36% of the working age population was qualified to NVQ4+, compared with 22% in 2004, and the proportion with no qualifications halved over the same period (partly as new entrants to the labour market gradually replace those who leave). But in relative terms, there is still a gap with the rest of the UK, and substantial variation across the region.

The pace of transition to attain higher-level skills has been slower in Neath Port Talbot, for example, than the rest of Wales and the UK and just 29.3% of the Neath Port Talbot workforce is qualified to NVQ4+, compared to 38.7% for Wales and 43.5% for UK. Swansea has a higher proportion of working age residents with qualifications to NVQ level 3 and above than Wales and UK average however, 7.7% have no qualifications and 8.4% are at NVQ level 1, therefore, 16.1% are considered low or no skilled (APS 2021). Carmarthenshire exhibits a higher than average number of people with no qualifications and a lower proportion than average of people with higher level qualifications.

A barrier to employment for many is a lack of qualifications or skills. This applies to those that have no qualifications at all and those that wish to re-skill or up-skill to better themselves and seek higher level or alternative employment. Skills levels likely impact on residents' ability to access better-paid local employment. In Neath Port Talbot for example, where average skill levels are lower median annual pay at workplaces is around £29,000 – higher than the Welsh average. But the average pay commanded by Neath Port Talbot residents is substantially lower, at around £27,000.

There is an opportunity to support those with no qualifications to gain basic skills qualifications and those up to level 2, which could act as a gateway to gaining employment but also higher-level qualifications. These basic skills include (but are not limited to); English, Maths and ESOL. This would serve to address the gaps in current DWP and Welsh Government provision and allow for the development of local-level interventions which meet local needs.

Furthermore, there is a specific need to develop digital skills and increase levels of digital inclusion. The world of work is changing and reliance on digital technologies within the work-place is increasing at rapid rates. Providing individuals with relevant and transferrable digital skills will therefore not only improve their employability but also make them more confident with regards to accessing wider services online.

Local Skills Needs – Supply and Demand

To create a growing and resilient regional labour market, it is imperative to equip individuals with the skills required by local employers. This is in respect of the skills required now and those that will be required in the future. A forward-looking approach will ensure that local people are able to benefit from future opportunities which present themselves. This is also a crucial step in reducing what is termed as 'brain drain' whereby highly qualified individuals leave the area to take up higher paid employment elsewhere. Developing a

stronger skills base will also increase the chance of attracting new businesses to the region and growing existing ones to improve prosperity.

Much work has been undertaken to map regional skills needs by the Regional Learning and Skills Partnership, with employers from key strategic sectors in the region reporting a number of in-demand and desired skills, as outlined below:

Manufacturing & Engineering – Problem solving skills, leadership and management skills, computer literacy skills, skills in new technology.

Construction – Work-readiness skills, communication skills, problem solving skills and manual dexterity.
Agri-food – Comprehension skills, communication skills, leadership and management skills and food manufacturing skills.

Financial, Professional and Digital – Advanced/specialist IT skills, Coding/web development skills, skills in new technology and basic IT skills.

Health and Social Care – Health care skills, communication skills, basic IT skills and skills in new technology.

Public Services – Advanced and basic IT skills, problem solving, oral Welsh language skills, communication skills, leadership and management skills and HGV/LGV driving skills.

Tourism, Leisure and Retail – Marketing skills, chef/kitchen skills, advanced and basic IT skills and coding/web development skills.

Creative Industries – Advanced and basic IT skills, skills in new technology, entrepreneurial skills, coding/web development, creative content development skills and marketing skills.

Taking these skills needs into account, there are clearly opportunities to focus skills delivery in some key areas, with this evidence further substantiating the need to develop the digital and general work readiness skills of individuals. These could be addressed through basic skills delivery up to level 2 with more specialist skills delivered via other methods such as work-based learning or through vocational delivery.

A key challenge is delivering qualifications for employers / employees that respond to current and emerging challenges, opportunities and local skills needs and will complement broader place-based investment across the region. In doing so it will target activities which capitalise on the opportunities and needs of the local area and meet the needs of an increasingly green and digital economy, whilst also providing a universal offer to businesses experiencing workforce challenges and / or demonstrating growth potential of all sizes and across all sectors.

Working in conjunction with local providers, support would serve to fund gaps in local skills provision and explore alternative delivery methods. This could be in the format of bite-sized, module-based delivery of both an accredited and non-accredited nature. This creates a skills system which is innovative and flexible in its approach and aligns with the needs of employers and recommendations made by the Regional Learning and Skills Partnership. In line with this there is an opportunity to improve linkages between schools, further education colleges and higher education to offer a 'skills escalator' model of skills development aligned to the needs of industry.

As a result of the region's older population there is also an opportunity to provide tailored support to those in employment to access skills provision. This would serve to reduce the loss of skilled individuals from the labour market and support retention in some sectors where an ageing workforce is a concern. These issues are more acute (although not exclusive) in the Construction and Manufacturing and Engineering sectors.

Upskilling the existing workforce

Local businesses within the region want to improve the skills and abilities of their staff, but cannot afford the time and the expense, making it prohibitive for the business to progress their workforce. Subsidised in-work skills programmes would be a huge step to breaking down the barrier and ensuring that the existing workforce were able to upskill and retrain for their professional development. This also leads to increased economic prosperity for the area and a skilled workforce.

Careers Advice and Guidance

Evidence indicates that several key sectors have and continue to experience challenges in attracting, retaining and recruiting suitably skilled staff to meet their needs. A number of issues culminate in creating these recruitment challenges, with a lack of skills and the perception of sectors being primary contributory factors.

Careers, advice and guidance plays a key role in dispelling myths and improving the perceptions of sectors. Sectors that report being particularly affected by this include; Health and Social Care, Hospitality, Tourism, Leisure and Retail, Construction and Agri-food. These are all sectors of strategic importance for the region, it is therefore crucial that people are aware of the opportunities presented by these industries. This is an important step in the creation of a pipeline of talent armed with the desired skills to feed into the labour market, which would be to the benefit of local businesses and in turn our local economy.

To this end, there is an opportunity to provide careers, advice and guidance in a more cohesive way at a local level, taking into account the skills needs of local employers. Working in conjunction with organisations already delivering such services will serve to reduce duplication and complement what is already offered. The delivery of careers, advice and guidance should also consider the gender profiles of many sectors and attempt to dispel the typical gender stereotypes associated with some sectors. This would address the significant gender disparity evident across many areas of the economy which relates to employment, the gender pay gap and opportunities to prosper more generally.

In Pembrokeshire, one challenge that has been identified is ensuring young people are equipped to make well-informed career choices, so that they acquire the skills and qualifications needed not just in the traditional industries in Pembrokeshire, but in new and emerging sectors especially in (but not limited to) the marine renewable energy sector.

Young people

There is a lack of understanding around the different learning pathways from pre-16 to post-16 for some of our young people. Options are not communicated effectively to ensure young people understand the full range of options available, from Further Education, Work Based Learning and Apprenticeships. Some of our young people are not accessing appropriate interventions / support and it is not until a later stage that they are identified. Improved communication in our schools is essential ensure all our young people explore the different choice of pathways of learning and development.

Early intervention is needed to identify vulnerable learners or those with Additional Learning Needs (ALN) and to ensure appropriate provision is in place to support learners overcome challenges and prevent risk of permanent exclusions and reduce the risk of young people becoming NEET post-16/Key Stage 4. Young people at all ages and key stages in education have been negatively affected by the impact of the Covid-19 pandemic and associated absences from the school environment. Further work is needed to understand the scale of the impact in schools and the challenges presented in order to develop interventions to positively improve learning, basic skills and attainment at all pre-16 levels.

Across the region there is also a need to ensure that young people who are not in employment, education, or training (NEET) are re-engaged in the labour market, and that young people remain engaged in learning, training or employment. Entrepreneurial young people must also be encouraged and supported to start-up their own businesses, though interventions to achieve this may better fit under the Supporting Local Business theme.

Latest employment statistics in Swansea have shown an increase in the number of 16-24 year olds on non work-related benefits and therefore, economically inactive. The pandemic has caused issues for young people in the area, such as loss of confidence and key skills, which needs to be addressed. (DWP consultation)

International Students and Refugees

A specific challenge identified in Swansea relates to resident international students and refugees, who are skilled and highly motivated to take up employment opportunities, but are faced with issues transferring their overseas qualifications, which is a barrier to them accessing local opportunities.

Basic skills

There is a large proportion of people in the region who lack basic skills. Interventions and investment are needed to address literacy, numeracy, ESOL and digital literacy skills. There is a significant challenge to engage with people who are not ready to admit to their skill deficit. Programmes need to be available with a softer approach to entice learners. Existing services need to be delivered in the communities, at local and micro-local level, building on what they already do by offering additional support in a way that does not directly target basic skills in the short term and will aid progression in the long term. This could be delivered as part of a wider community and employability support provision.

Covid Recovery and Cost of living

Household income in South West Wales is below the Wales and UK average, with Gross Disposable Household per head in 2019 standing at £16,646; which is 77.7% of the UK level. The increase in the cost of living and rising energy and food prices will place further pressures on household income. Having basic living skills is imperative to be able to adjust and adapt to these changes. Support and training on functional numeracy skills would help individuals to understand their finances; bank statements, price comparison and contract fees. The pandemic has expedited the need for digital skills to access services and employment but has also left many people who are digitally excluded isolated throughout the pandemic.

Advancement of Digital Skills

There is an issue with a widening gap in digital skills in Swansea. Investment is needed to assess and address the current and future digital skills needs and for the development of basic and advanced digital skills provision, to ensure people and businesses have the skills to take advantage of the latest technologies and tools.

The lack of digital skills and internet access have a huge impact on people's lives. Digitally excluded citizens need access to digital connectivity, technology and skills, which are essential to ensure that everyone has an equal opportunity. In Swansea, there is a need to increase participation and improve outcomes in STEM (Science, Technology, Engineering and Maths) subjects.

Green Skills and Skills for Net Zero

The region has a number of ambitions aligned to both the communities and place and business support investment themes with regard to the green agenda and net zero. There is a challenge to raise awareness of green skills and to address the deficit in skills and capacity to meet the local needs in dealing with the changing environment linked to green recovery, green energy, changing food systems, transport systems, green spaces and green infrastructure.

The imminent challenges facing the built environment sector, as an example, will require a rapid response to skills development to ensure it has a skilled and competent workforce that is able to respond to the emerging zero carbon agenda. The education sector will need to provide innovative training solutions to upskill the existing workforce and also provide new entrants with the skills they need to support the evolving needs of this particular sector. Priority solutions include:

- Upskilling programmes to meet the expectations of green construction, from basic to advanced, in terms of understanding of whole house solutions
- Training programmes around the installation of renewable products, as well as a robust accredited assessment of suitability/competence of the installation.
- Training programmes to meet offsite construction, from a manufacturing perspective to support local companies

As new innovations, come forward, we need to look at effective and responding skills development and training solutions, with the establishment of a centre of expertise. This is especially pertinent for the

Construction and Engineering and Manufacturing sectors where future skills needs relate to specialist engineering skills, retrofit skills, smart manufacturing skills and renewable energy skills.

Welsh Language

When taking into account skills provision in a Carmarthenshire context, consideration must be given to the development of provision which allows individuals to undertake learning through the language of their choice. With 43.9% of the population able to speak Welsh there is a clear argument that the demand would exist. This also serves to meet the needs of local employers whereby Welsh language skills have been highlighted as important by the Creative Industries, Health and Social Care and Retail, Tourism and Leisure sectors.

Enrichment and Volunteering Opportunities

There is an argument to suggest that the provision of enrichment and volunteering opportunities may provide similar benefits as those provided by work experience opportunities. Work experience has traditionally been considered something that younger people do as part of their statutory education, however there are benefits to be realised for all age groups and people from all backgrounds. Taster sessions in relevant industries may serve to reduce drop-off and highlight the wider benefits to be realised by being in work rather than the traditional focus of financial reward. The same can be said for volunteering placements within the region's many third sector and smaller community groups. Taking part in such schemes would provide a stepped approach to entering the labour market, removing some of the pressure that those furthest away may feel when making the transition straight into paid employment. There are opportunities to explore the viability of such an approach across the region, looking at lessons learned from similar initiatives.

Multiply

Many economically inactive people have not positive experiences in school or college therefore there is a need to engage and learn in an innovative way which is different to formal learning environments. Community based interventions will need to be considered for the delivery of functional numeracy to increase engagement due to reduced confidence and increased isolation economically inactive people face following the pandemic.

In delivering the Multiply initiative, we anticipate that the challenges will be:

- The shortage of numeracy tutors.
- Recruitment of learners, due in part to the stigma attached to the lack of basic skills.
- The focus on numeracy alone is unlikely to address the full needs of learners, who will often also lack basic literacy and digital skills. As such, Multiply may need to be delivered alongside other provision, or risk being less effective than it might otherwise be.
- There will be a complex interaction with pre-existing Welsh Government support that must be navigated.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Regional Economic Delivery Plan, and relevant local plans and strategies. The intention is to generate a regional 'menu' of activities on a consistent basis that adapt according to specific local need.

Regional Economic Delivery Plan

The Regional Economic Delivery Plan's three 'Missions' will guide future activity over the next ten years and beyond. They are designed to give a clear direction of travel, while remaining sufficiently broad to accommodate a wide range of potential investments that will come forward over time. The three high-level Missions are as follows:

Mission 1: A UK leader in renewable energy and the net zero economy

Looking to 2030, we aim to make South West Wales a UK leader in renewable energy and the net zero economy. That means taking advantage of our natural assets and our industrial and R&D capabilities to build an internationally-significant presence in future fuel technologies and to drive the decarbonation of our industrial base and the wide economy.

Key Actions:

- Additional Capacity to drive forward the agenda
- Progressing the region's major renewable energy generation projects
- Attracting and driving forward industrial investment
- Decarbonising transport and the housing stock

Mission 2: Building a strong, resilient, and embedded business base.

"Business is at the centre of our strategy to 2030. It will be through the expansion of existing firms and the start-up and attraction of new ones that new employment will be generated and productivity growth secured. That means supporting sustainable business growth – both at the 'leading edge' of technology and innovation and across the economy".

Key Actions:

- Accelerated adoption and innovation support (linked with the recommendations of Wales 4.0 in relation to business, skills and innovation support)
- 'Progressive procurement' within a local business and supply chain development system

Mission 3: Growing and sustaining the South West Wales 'experience' offer

"South West Wales enjoys a superb environment and a unique 'quality of life' offer. This is a key asset for the region, and one which we must protect and enhance. We will make South West Wales known for the quality and breadth of its 'experience' offer", bringing together urban and rural environmental quality, 'quality of life' and culture. This will support a high-value visitor economy – but it will also be locally owned and a central part of our investment proposition".

Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Within the context of the South West Regional Economic Delivery Plan and Local Economic Recovery Plans, the following opportunities have been identified through local partnership discussions to respond to local challenges:

Addressing economic inactivity

- Community based activity to engage with the economically inactive
- Employability and skills provision where there are current gaps in local provision- Opportunity to create pathway into employment to include pre-engagement, employability, skills and training, volunteering and paid placements activity tailored to individual's and local labour market needs.
- Provision of a person-centred, 1-2-1 mentor/key worker led pre-engagement and intensive wraparound employability support to move closer or into the labour market.
- Life skills support for health and wellbeing, confidence building and motivation, teamwork, job search skills, communication and presentation skills.
- Project activities will compliment, align and add value to existing provision ensuring there is additionality and no duplication

Maximising potential of unemployed people and in-work support

- Develop in-work support provision linked to employment support and skills to upskill and retain staff by providing access education and training.
- Enhance skill levels through life and career skills provision for the unemployed unable to access support and funding to overcome skills and training barriers

Reducing barriers to skills and employment

- Coordinated approach to provide a more holistic support offer with delivery partners bringing specialisms together to support key groups with different needs to overcome complex barriers
- look to develop a learning and development model/network to enhance provision out into our communities, making it accessible for all.
- Pre-engagement and Employability wraparound support by dedicated key workers throughout the pathway with an initial assessment of needs and skills to identify barriers and develop a personal, bespoke action plan.
- Intensive 1-2-1 mentoring support tailored to the individuals needs to overcome barriers and identify suitable pathways.
- Skills re-engagement pathway for young people exiting full-time education.
- Intervention opportunities for skills and training, volunteering, work tasters, paid work placements, employment and engagement with mainstream provision.
- Life skills support for confidence building and motivation, teamwork, job search skills, communication and presentation skills.
- Advice on benefits and budgeting.

Supporting Skills

- Mapping skills and forecast future demands and shortages in the labour market.
- Opportunity to align skills and employability provision to support local and regional skills needs.
- Opportunity to partnership working to maximise training provision and to deliver skills support within communities
 - Basic Skills training, ESOL, employability and life skills (for confidence building and motivation, teamwork, job search skills, communication and presentation skills.), technical and vocational training, qualifications, work related training, licences, Digital skills, green skills and workplace skills.
- Green skills provision to ensure there is a suitably skilled workforce in the region to achieve the UK government goals of net zero.
- Engagement and softer skills development programme for young people.

Recovery from the Covid pandemic and impact of the rising cost of living

- Health and Wellbeing Interventions
- Advice on benefits and budgeting including numeracy skills.
- Opportunity to provide funding where finance is a barrier to people to accessing skills, education and employment (Work related training, licences, qualifications, travel, childcare, clothing and equipment)

Employer Challenges

- Engagement with employers to understand needs and challenges
- Job and skills matching service through employability provision
- Provide opportunities for employers and people with paid work opportunities, work trials, taster days and volunteering
- Opportunity for businesses and employers to retain and upskill staff through training

Technology assisted learning

Using technology to support learners to develop literacy and numeracy skills, embedding this in all learning. Opportunity to take this out into the communities will remove the barriers such lack of digital resources and accessibility.

Paid work placements - Evaluations of previous employment programmes e.g. Workways+, Kickstart and the CRF funded Job Start indicate the benefit of 'Paid Work Opportunities'. The individual seeking work is placed in appropriate paid work placements and the programmes funds businesses to support individuals on these placements. This is an opportunity under UKSPF that the Council would wish to progress to ensure this element adds value to the employment support provision.

Aligning skills and employment support – there is an opportunity to work with partners to link local support services and mainstream provision across the region to ensure barriers to employment are overcome where possible, including working with partners to deliver employability skills to those with protected characteristics and additional learning needs.

Mentoring support – to maximise the opportunity of experience in offering high level mentoring support. From school leavers to adults through a holistic and innovative approach is adopted looking at all barriers which prevent an individual progressing into education, employment or training. A number of proven techniques and strategies are used to ensure that an individual has the tools to grow and sustain education and/or employment.

Young people

The New Curriculum will increase engagement activity within our schools to ensure that learners are aware of the skills that employers consider to be essential while highlighting the softer skills as being as pertinent as technical or practical skills. There is an opportunity to develop interventions to prevent youth disengagement and provide alternative curriculum pathways.

There is an opportunity to implement additional provision for early identification of learners with Additional Learning Needs at all levels of education and to develop a programme of interventions for learners such as specialist teaching or alternative training provisions that are linked to an Individual Development Plan. Currently there is only provision in place for learners with more severe or complex needs, thereby leaving a gap in provision for those with more moderate additional learning needs. The Covid-19 pandemic had negatively impacted learners at all levels which has triggered an increase in learners falling behind in attainment levels along with an increase in behavioural issues and exclusions. Provision is needed to support both pre and post-16 to overcome these challenges and thereby reduce the risk of school exclusions and the risk of becoming NEET. Early intervention will also alleviate demand on post-16 employability provision.

Adult learning

There is an opportunity with UKSPF and Multiply to work with schools and parents to increase their adult literacy and numeracy skills to support their children's learning and increase their own skills.

Wellbeing interventions

There is an opportunity to develop a programme of engagement and leisure courses, which will allow providers to recognise and identify skills needs, with a focus on the individual's emotional and mental health initially. Once health and well-being is addressed and people have more confidence basic skills can be identified.

Learning infrastructure

There is an opportunity to improve venues to be fully functional to provide learning where literacy and numeracy can be wrapped around courses for healthy eating, understanding food labels, budgeting, and cooking on a budget.

Skills networks

There is an opportunity to further develop and expand partnerships to map out gaps between leaving school and progressing into employment to identify what skills are needed, and developing additional programmes to support these people. By carrying out mapping exercises across employers in the region it will be possible to identify what skills are required and develop a bespoke curriculum to meet employer needs.

Opportunity to work collaboratively to improve systems for assessing learners' additional learning needs, making sure that those learners gain appropriate support, and monitor the progress made by learners receiving support. This intervention will identify any skills deficit and identify appropriate support.

A Framework for Regional Investment in Wales (FRIW)

Priority 1: More Productive and Competitive Businesses

"We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market"

Priority 2: Reducing the Factors that lead to Economic Inequality

“We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence shows that inequality has a negative impact on economic growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people”

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

Link to Levelling Up Missions

Mission 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

Average earnings in South West Wales (workplace based) have risen by 25.1% since 2011 to stand at £559.30 in 2021, however this is below both the Welsh (£562.80) and UK (£612.8) levels. At county level, Pembrokeshire has the lowest average earnings at £532, with Neath Port Talbot the highest at £596.80 in April 2021.

The employment rate in South West Wales has improved over the last ten years, from 64.8% in 2011 to 71.7% in 2021, although it still lags behind the Welsh (73.1%) and UK (74.7%) levels. Across the region, Pembrokeshire has the highest employment rate at 74.4% with Carmarthenshire having the lowest at 69.1% in 2021.

In 2020, productivity (measured as GVA per filled job) was around £46,300 in South West Wales. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. Productivity is highest in Neath Port Talbot at £48,600 in 2020 and lowest in Carmarthenshire at £43,100.

Mission 6. By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.

Over time, there has been a steady improvement in qualification levels in the region: in 2021, 36% of the working age population was qualified to NVQ4+, compared with 22% in 2004, and the proportion with no qualifications halved over the same period to 8% (partly as new entrants to the labour market gradually replace those who leave). But in relative terms, there is still a gap with the rest of the UK (where 43.5% are qualified to NVQ4+), and substantial variation across the region. In Neath Port Talbot only 29.3% are qualified to NVQ 4+, compared to 39.4% in Swansea.

Mission 7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.

For men, Healthy Life Expectancy is above the Welsh average (61.5 years) for the period 2018-2020 in both Swansea (61.9 years) and Pembrokeshire (61.8 years) but below in Carmarthenshire and Neath Port Talbot (both 59.7 years). For women, the picture is different with only Pembrokeshire, at 65.8 years, having Healthy Life Expectancy above the Welsh average (62.4 years) for the period 2018-2020, and Carmarthenshire (61.8), Swansea (60.5) and Neath Port Talbot (57.9) all below

The absolute gap in healthy life expectancy for females at birth in each county is starkly different with a 3.3 year gap when comparing the least to the most deprived fifth in Pembrokeshire, 8.9 year gap in Carmarthenshire, 17.2 year gap in Neath Port Talbot and 19.8 year gap in Swansea for the period 2018-2020. For males, the absolute gap in healthy life expectancy is lowest in Neath Port Talbot with a 10.2 year gap between the least to most deprived fifth, followed by Carmarthenshire at 10.8 years, Swansea at 14.9 years, and Pembrokeshire with the largest gap at 15.1 years, for the period 2018-2020.

These values pre-date the pandemic consequently, it is not known what impact the pandemic will have had to these values. Data from Public Health Wales Observatory
https://publichealthwales.shinyapps.io/PHWO_HealthExpectanciesWales_2022/

Mission 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

Mental wellbeing scores, according to the Warwick-Edinburgh Mental Wellbeing Scale, are available for people aged 16 and over from the National Survey for Wales. This data shows that mental wellbeing levels for 2018-19 (the latest data available) were lowest in Pembrokeshire (49.7), followed by Swansea (50.3) and Carmarthenshire (51.1), with only Neath Port Talbot (52.1) above the Welsh average (51.4).

Interventions

In this section, we will ask you about:

- Interventions you've chosen for each year of funding
- Outcomes you want to deliver
- Any interventions that are not listed here
- How these interventions fall under the UKSPF investment priorities, and your rationale for them
- Interventions not included in our list will be assessed before being approved, where you will need to show a clear rationale, how the intervention is value for money, what outcomes it will deliver and how you will monitor and evaluate the intervention. This may include a theory of change or logic chain.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	✓
Jobs safeguarded	✓
Increased footfall	✓
Increased visitor numbers	✓
Reduced vacancy rates	✓
Greenhouse gas reductions	✓
Improved perceived/experienced accessibility	✓
Improved perception of facilities/amenities	✓
Increased number of properties better protected from flooding and coastal erosion	✓

Increased users of facilities / amenities	✓
Improved perception of facility/infrastructure project	✓
Increased use of cycleways or paths	✓
Increase in Biodiversity	✓
Increased affordability of events/entry	✓
Improved perception of safety	✓
Reduction in neighbourhood crime	✓
Improved engagement numbers	✓
Improved perception of events	✓
Increased number of web searches for a place	✓
Volunteering numbers as a result of support	✓
Number of community-led arts, cultural, heritage and creative programmes as a result of support	✓
Increased take up of energy efficiency measures	✓
Increased number of projects arising from funded feasibility studies	✓
Number of premises with improved digital connectivity	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE COMMUNITIES AND PLACE INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs.

W2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects including those that increase communities' resilience to natural hazards, such as flooding, and investment in locally owned renewable energy generation and waste management to improve the transition to low carbon living This could cover capital spend and running costs.

W3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features and biodiversity improvements into wider public space.

W4: Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural and heritage offer, including improvements to access to sites to counter the effects of isolation, particularly for older people and disabled people.

W5: Design and management of the built and landscaped environment to 'design out crime'

W6: Support for local arts, cultural, heritage and creative activities

W7: Support for active travel enhancement and other small-scale green transport infrastructure projects, having regard to the Wales Transport Strategy

W8: Funding for the development and promotion of wider campaigns and year-round experiences which encourage people to visit and explore the local area.

W9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places

W10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together

W11: Investment in capacity building and infrastructure support for local civil society and community groups

W12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

W13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

W14: Funding to support relevant feasibility studies

W15: Investment and support for digital infrastructure for local community facilities.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE COMMUNITIES AND PLACE LIST?

State the name of each of these additional interventions and a brief description of each of these

Following extensive consultation, no additional interventions proposed at this stage.

Explain how each intervention meets the Communities and Place investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

N/A

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity? All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

N/A

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

Describe these projects, including how they fall under the Communities and Place investment priority and the location of the proposed project.

The region has consulted widely in local areas and a range of key programmes have been identified that sit under this investment priority. The following are examples of anticipated projects and programmes:

Historic structures and conservation area feasibility and project fund

Village and town centre small scale improvements recognisable to people in their places to fund both capital and revenue including support to shift towards more diverse town centres, creating digitally smart environments and embracing the greening of town centres and decarbonisation plus dedicated officer support to provide capacity and coordination. To interface carefully with Welsh Government Transforming Towns programme and building on successful ongoing development journey particularly around already identified key sites and priorities throughout the region. A mix of interventions is anticipated bridging across multiple interventions.

Meanwhile Spaces programme – to utilise vacant high street premises to provide opportunities for micro businesses to start trading, add vibrancy and drive footfall

Cultural capacity programme including activities that support the wellbeing of local communities in a range of areas from access to services, sports and leisure facilities, local culture and heritage through to addressing fuel poverty and climate change, e.g. warm hubs.

Pilot Green Energy support programme

Rural economic regeneration and community development programme – targeted rural programme that builds on the momentum of the previous Rural Development Programme across South West region. This will include work on the rural market towns across the region and valleys communities to support their development and sustainability

Community led projects and support for social enterprises designed to create more vibrant and sustainable communities.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All grants will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Minimum Financial Assistance, as necessary, including appropriate use of procurement and commissioning in some cases.

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	✓
Jobs safeguarded	✓
Increased footfall	✓
Increased visitor numbers	✓
Reduced vacancy rates	✓
Greenhouse gas reductions	✓
Number of new businesses created	✓
Improved perception of markets	✓
Increased business sustainability	✓
Increased number of businesses supported	✓
Increased amount of investment	✓
Improved perception of attractions	✓

Number of businesses introducing new products to the firm	✓
Number of organisations engaged in new knowledge transfer activity	✓
Number of premises with improved digital connectivity	✓
Number of businesses adopting new to the firm technologies or processes	✓
Number of new to market products	✓
Number of R&D active businesses	✓
Increased number of innovation active SMEs	✓
Number of businesses adopting new or improved products or services	✓
Increased number of innovation plans developed	✓
Number of early stage firms which increase their revenue following support	✓
Number of businesses engaged in new markets	✓
Number of businesses engaged in new markets	✓
Number of businesses increasing their export capability	✓
Increased amount of low or zero carbon energy infrastructure installed	✓
Number of businesses with improved productivity	✓
Increased number of projects arising from funded feasibility studies	✓
Increased number of properties better protected from flooding and coastal erosion	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W16: Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.

W17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally

W18: Supporting Made Smarter Adoption: Providing tailored expert advice, matched grants and leadership training to enable manufacturing SMEs to adopt industrial digital technology solutions including artificial intelligence; robotics and autonomous systems; additive manufacturing; industrial internet of things; virtual reality; data analytics. The support is proven to leverage high levels of private investment into technologies that drive growth, productivity, efficiency and resilience in manufacturing.

W19: Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities, in both economically important and emerging areas. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices. Investment in doctoral training centres

W20: Research and development grants supporting the development of innovative products and services. Grants to increase the research capacity and level of collaboration between firms to share best practice

W21: Funding for the development and support of appropriate innovation infrastructure at the local level.

W22: Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places.

W23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.

W24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.

W25: Grants to help places bid for and host international business events and conferences that support wider local growth sectors

W26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

W27: Funding to develop angel investor networks nationwide.

W28: Export Grants to support businesses to grow their overseas trading, supporting local employment and investment.
W29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.
W30: Business support measures to drive employment growth, particularly in areas of higher unemployment.
W31: Funding to support relevant feasibility studies
W32: Funding to support progression of small businesses into productive medium sized firms
W33: Investment in resilience infrastructure and nature based solutions that protect local businesses and community areas from natural hazards including flooding and coastal erosion.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE SUPPORTING LOCAL BUSINESS LIST?	
State the name of each of these additional interventions and a brief description of each of these	
Following extensive consultation, no additional interventions proposed at this stage.	
Explain how each intervention meets the Supporting Local Business investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.	
N/A	
Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity? All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.	
Yes	No
Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.	
N/A	

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?
Describe these projects, including how they fall under the Supporting Local Business investment priority and the location of the proposed project.
<p>The region has consulted widely in local areas and a range of key programmes have been identified that sit under this investment priority. These include learning from existing funded programmes under EU Structural Funds and UK Community Renewal Fund pilots. A number of emerging areas of activity include:</p> <ul style="list-style-type: none"> • Support for indigenous growth SMEs • Supporting innovation with shared space, equipment, start up space • Collaborative measures to support economic growth <p>The following are examples of anticipated projects and programmes:</p> <p>Business Start-up and Growth Fund - targeted capital/revenue fund to support the development and growth of local businesses and to drive local employment.</p>

Rural economic regeneration programme – targeted rural programme that builds on the momentum of the previous Rural Development Programme and offers support to rural businesses.

Tourism, culture and heritage fund – support to increase the local economic impact of the visitor sector by improving the visitor experience within towns and key tourist "hotspots" across the region

Property Development Funds - package of assistance to support developers and owner occupiers to invest in construction, expansion and refurbishments of property to meet the infrastructure needs of local businesses and to address the current viability gap which exists across the region.

Business support services that dovetail and complement Welsh Government Business Wales provision and ensure successful integration with other relevant interventions under Communities and Place to maximise business survival rates and economic vibrancy.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All grants will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Small Amounts of Financial Assistance, as necessary, including appropriate use of procurement and commissioning in some cases.
- Smaller grants will be delivered in line with the Small Amounts of Financial Assistance under Article 3.2(4) of the Trade and Co-operation Agreement (TCA).
- For property grants we will utilise SC10250 (Capital Investment and Employment Aid Scheme) which will provide same cover as previous GBER rules (SA. 60356 / 49737 / 39123)

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Number of economically inactive individuals in receipt of benefits they are entitled to following support	✓
Increased active or sustained participants of UKSPF beneficiaries in community groups [and/or] increased employability through development of interpersonal skills	✓
Increased proportion of participants with basic skills (English, maths, digital and ESOL)	✓

Number of people in supported employment [and] number of people engaging with mainstream healthcare services	✓
Number of people sustaining engagement with keyworker support and additional services	✓
Number of people engaged in job-searching following support	✓
Number of people in employment, including self-employment, following support	✓
Number of people sustaining employment for 6 months	✓
Increased employment, skills and/or UKSPF objectives incorporated into local area corporate governance	✓
Number of people in education/training	✓
Increased number of people with basic skills (English, maths, digital and ESOL)	✓
Fewer people facing structural barriers into employment and into skills provision	✓
Increased number of people familiarised with employers' expectations, including, standards of behaviour in the workplace	✓
Fewer people facing structural barriers into employment and into skills provision	✓
Number of people gaining a qualification or completing a course following support	✓
Number of people gaining qualifications, licences, and skills	✓
Number of economically active individuals engaged in mainstream skills education, and training.	✓
Number of people engaged in life skills support following interventions	✓
Number of people with proficiency in pre-employment and interpersonal skills (relationship, organisational and anger-management, interviewing, CV and job application writing)	✓
Multiply only - Increased number of adults achieving maths qualifications up to, and including, Level 2.	✓
Multiply only - Increased number of adults participating in maths qualifications and courses up to, and including, Level 2.	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE PEOPLE AND SKILLS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W34: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer to mainstream provision and to gain and retain employment, including wraparound support to people undertaking apprenticeships, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps. Funding for vocational training for economically inactive people, where the provision is additional to that funded via mainstream provision.
* via Multiply

W35: Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills** provision for people who are not economically inactive and who are unable to access other training or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications.
*where not being met through Department for Work and Pensions or Welsh Government provision.

W36: Activities such as enrichment and volunteering to improve opportunities and promote wellbeing.

W37: Interventions to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in community support to provide users with the confidence and trust to stay online.

W38: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses. This includes supporting the retention of groups who are likely to leave the labour market early.
W39: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding.
W40: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions.
W41: Retraining and upskilling support for those in high carbon sectors, with a particular focus on transitioning to green, and Industry 4.0 and 5.0 jobs.
W42: Funding to support local digital skills.
W43: Funding to support engagement and softer skills development for young people, with regard to the work of Careers Wales/Working Wales.
Multiply interventions
W44: Courses designed to increase confidence with numbers for those needing the first steps towards formal qualifications.
W45: Courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression.
W46: Courses aimed at prisoners, those recently released from prison or on temporary licence
W47: Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in order to access a certain job/career.
W48: Additional relevant maths modules embedded into other vocational courses.
W49: Innovative programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace.
W50: New intensive and flexible courses targeted at people without Level 2 maths in Wales, leading to an equivalent qualification (for more information on equivalent qualifications, please see Qualifications can cross boundaries (sqa.org.uk))
W51: Courses designed to help people use numeracy to manage their money.
W52: Courses aimed at those 19 or over that are leaving, or have just left, the care system
W53: Activities, courses or provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE PEOPLE AND SKILLS LIST?

State the name of each of these additional interventions and a brief description of each of these

The region intends to use the “Cynnydd” type of intervention developed for use with young people most at risk of becoming NEET, as assessed by reference to their educational achievements, school or college attendance and behaviour alongside professional judgement to provide a “blended” approach to the assessment of the risk attached to each individual. This appears to fit under intervention W43 except that some of the young people involved maybe as young as 11.

The region also intend to train trainers so that they are able to deliver numeracy skills training in support of the Multiply initiative, due to the shortage of such trainers in Pembrokeshire and across the South West Wales region.

Explain how each intervention meets the People and Skills investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

Cynnydd is a bespoke Welsh solution to local and regional issues that are addressed within the framework of the Welsh legislative, policy and institutional arrangements. It is broadly aligned with the People and Skills objective of “Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills” but rather than being a reactive approach to tackling an individual’s isolation from the labour market, it

is a proactive, preventative approach that is proven to avoid economic inactivity occurring in the first place. Evaluation evidence shows that the pandemic, which interrupted delivery to some extent, has intensified the level of anxiety, school phobia, poor social skills and poor mental health amongst the target group so increasing their risk of becoming NEET in later life.

The final interim evaluation report concludes “*evidence also demonstrates that where participants have engaged, the operation has been very successful in generating positive outcomes with 69% of the closed cases to date exiting the operation at a reduced risk of NEET. This is higher than expected (62%) despite the needs being more intensive than anticipated. Thus, the operation should be commended for its success rate with participants.*”

The Cynnydd operation is continuing until November 2022. The final evaluation, which will be available by February 2023 will include an analysis of return on investment. However an *ex ante* assessment demonstrated that a tailored intervention such as Cynnydd provided a significantly better return to the public investment than either a generalised intervention or the “do nothing” option.

The shortage of numeracy basic skills trainers was identified in consultation with adult education services in local authorities and further education colleges across South West Wales. This consultation was conducted as a part of the preparatory work behind this Investment Plan.

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention’s planned activity?
All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes	No
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Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

ENGLAND ONLY: People and Skills interventions can only be used in 2022-2023 and 2023-2024 if you have identified a local voluntary and community provision, previously supported by the European Social Fund, at risk of closure. If you have not identified a suitable provision, you will not be able to select interventions for 2022-2023 and 2023-2024 and your investment plan will not be approved.

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS for 2024-2025 WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

Yes

Describe the projects for 2024-25, including how they fall under the People and Skills investment priority and the location of the proposed project.

N/A

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?
All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

N/A

HAVE YOU IDENTIFIED A LOCAL VOLUNTARY PROVISION AT RISK AS PART OF YOUR PEOPLE AND SKILLS INVESTMENT PRIORITIES?

Yes	No
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(If Yes) Describe the local voluntary provision at risk and your rationale for supporting it.

N/A		
Provide the European Social Fund Project Names and Project References for this voluntary and community provision at risk.		
What year do you intend to fund these projects? Select all that apply.		
2022-2023	2023-2024	2024-2025
Describe the projects for 2022-2023 and 2023-2024, including how they fall under the People and Skills investment priority and the location of the proposed project.		
N/A		
Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity? All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.		
Yes	No	
Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.		
N/A		

SCOTLAND, WALES & NORTHERN IRELAND ONLY	
HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?	
Yes	
Describe the projects, including how they fall under the People and Skills investment priority and the location of the proposed project.	
<p>The region has delivered a strong package of support measures under this theme for more than a decade, and more recently used the UK CRF opportunity to trial potential successor arrangements at local level and has consulted extensively at local level to understand priorities and nature of interventions going forward.</p> <p>Key measures that will be consistent across the region include:</p> <p>Supporting people into work - A bespoke multi-agency programme of tailored support to reduce economic inactivity and to support those furthest from the labour market back into work. The project will offer a menu of training opportunities including access to basic skills, employability support, mentoring and work placements to improve employment outcomes for specific cohorts who face labour market barriers including 50+. This could build on good practice on Pathways to Work Swansea CRF project.</p> <p>Youth engagement provision – pre and post 16 provision to support young people to attain positive outcomes. This would involve the development of a programme of activities to engage children and young people. The project would work with those at risk of NEET or already NEET children and young people using preventative youth support approaches to engage with people who often have a range of complex needs. The project will include a series of bespoke youth support packages designed to support the individual towards better outcomes. Within the offer will be a number of posts including these linked to digital and media; emotional health and wellbeing; and youth work.</p> <p>Projects of this nature have been successfully delivered previously. These initiatives will build on lessons learned from previous projects of this nature that have been successfully run across the</p>	

region. This could include engaging with schools and colleges to include employability, childcare and construction.

“Cynnydd” type of intervention developed for use with young people most at risk of becoming NEET, as assessed by reference to their educational achievements, school or college attendance and behaviour alongside professional judgement to provide a “blended” approach to the assessment of the risk attached to each individual. This appears to fit under intervention W43 except that some of the young people involved maybe as young as 11. Cynnydd is a bespoke Welsh solution to local and regional issues that are addressed within the framework of the Welsh legislative, policy and institutional arrangements. It is broadly aligned with the People and Skills objective of “Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills” but rather than being a reactive approach to tackling an individual’s isolation from the labour market, it is a proactive, preventative approach that is proven to avoid economic inactivity occurring in the first place. Evaluation evidence shows that the pandemic, which interrupted delivery to some extent, has intensified the level of anxiety, school phobia, poor social skills and poor mental health amongst the target group so increasing their risk of becoming NEET in later life.

A broad range of other emerging areas of activity include:

- Paid work experience
- Paid Placements project/apprenticeship support scheme.
- Prison leavers programme.
- (Potentially) NHS skills and placement project
- Pilot Green skills programme
- Addressing current and future skills needs of local employers
- Refugee and Asylum seeker employability and skills project - Swansea as city of sanctuary
- Pilot Skills and Brokerage service (GCS)
- Intensive In-work Support
- Supporting basic and life skills, so individuals are ready to lead fulfilling lives as valued members of society (linking to Multiply).
- Early intervention to provide young people and adults with the the skills and knowledge to manage everyday life independently
- Environmental projects to support group interaction, mental health and wellbeing.
- Structured sessions providing practical financial, budgeting, housing and money management.
- Pre-engagement programme.
- Enhance apprenticeship provision. Ensuring there is a flexible offer to young people not in education, employment or training – to include outside of normal office hours to support the needs of young people.
- Early identification and intervention for those transitioning to post 16 destinations.
- Targeted school support for school holidays

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes	No
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Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All programmes will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Minimum Financial Assistance, use of streamlined routes, as necessary, including appropriate use of procurement and commissioning in some cases.

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

Approach to delivery and governance

In this section, we will ask you about:

- Structures you have in place to support delivery
- Support you have from stakeholders and the local community
- How you've engaged with MPs as part of your investment plan
- Opportunities you have identified to work with other places

Places need to show how MPs that cover the lead local authority have been engaged on the investment plan and whether they support it. More detail on the role of MPs can be found here.

STAKEHOLDER ENGAGEMENT AND SUPPORT

Have you engaged with any of the following as part of your investment plan? Select all that apply.

Public sector organisations YES	Private sector organisations YES	Civil society organisations YES
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Describe how you have engaged with any of these organisations. Give examples where possible.

Meetings and engagement with the following:

- Local authority internal officer groups in Neath Port Talbot, Swansea, Carmarthenshire and Pembrokeshire
- Engagement sessions via local Councils for Voluntary Services in each local authority area
- Consultation sessions with local multi-sector regeneration partnerships in each local area
- Business Advisory Groups
- Regional Learning & Skills Partnership – Business event on 20th June 2022
- Regional Adult and Community Learning engagement group
- Regional engagement online 18 July 2022

External Stakeholder digital consultation exercise in each local area

- Various networks spanning over 200 organisations

Summarise the governance structures you have in place, including how any advisory panels or associated partnership groups are made up

Each local area has a comprehensive local regeneration partnership with the following membership and links:

- Higher Education
- Further education

- Third sector/CVCs
- Representatives from the Business Advisory Groups/Business Improvement Districts
- Rural regeneration groups
- Strategic Town Fora representatives
- Social Business Wales
- Small Business Federations
- Chambers Wales
- Regional Learning & Skills Partnership

Each partnership has discussed the key principles and programme challenges and opportunities outlined in this plan.

MPs and MS' have been engaged across the region including:

MPs

Simon Hart
 Nia Griffiths
 Stephen Crabb
 Jonathan Edwards
 Geraint Davies
 Tonia Antoniazzi
 Carolyn Harris
 Stephen Kinnock
 Christina Rees

MS'

Eluned Morgan
 Joyce Watson
 Cefin Campbell
 Adam Price
 Lee Waters
 Jane Dodds
 Samuel Kurtz
 Paul Davies
 Mike Hedges
 Julie James
 Rebecca Evans
 David Rees
 Jeremy Miles

Some members are opting to take part in local partnerships, others prefer to be engaged separately on an ongoing basis and kept apprised of developments.

Confirm all MPs covering your lead local authority have been invited to join the local partnership group.

Yes

Are there MPs who are not supportive of your investment plan?

No

(If Yes) Who are the MPs that are not supportive and outline their reasons why.

There are no indications of MPs not being supportive.

PROJECT SELECTION

Are you intending to select projects in any way other than by competition for funding?

No

(If Yes) Describe your approach to selecting projects, and why you intend to do it this way.

The programme presents an exciting opportunity to design and deliver local interventions with regional consistency, and to pool and commission activity across places where this makes sense and adds value for the people and communities receiving support.

South West region is keen to design interventions to ensure that funding is directed to projects that make sense to people and businesses, with the focus on delivery and layering of bureaucracy as far as possible. Funding arrangements should ensure they follow the constitutional arrangements for organisations in receipt of funding and factor potential impact of administrative burden created by complex legal and financial arrangements and aim to keep these to the minimum required to ensure effective delivery and added value.

Whilst there is a need to accommodate transition from existing programmes to an extent, exit strategy remains a key question for any activity of any scale by any organisation, and organisations will be expected to articulate this point carefully in applications - the programme activity should be about enabling and supporting sustainable activities, not creating long-term dependencies.

The region consists of four partner local authorities with well over a decade of constructive and positive collaborative working, with individual local allocations. The understanding is that the allocations are fundamentally local allocations with a regional oversight to share good practice, consistency and good programme management, whilst allowing each local area the flexibility to adapt programmes to meet the subtle differences in local need, as well as addressing a large number of challenges and opportunities held in common.

The region intends to use 4% of the funds between Swansea as lead authority working closely with small teams in each individual local authority to ensure seamless delivery of the programme. A collaborative approach has worked well between the partner authorities over a number of years on a range of programmes including most recently the Welsh Government Transforming Towns programme which follows the same basic model as proposed here.

The approach will be finalised once the project guidance is issued during August but the working intention is to deploy the following delivery methods in all cases being clear on local and regional benefit of activities proposed:

- Carefully chosen grant schemes that enable businesses and communities to benefit from programme opportunities
- Commissioned activity at local and regional where there is a direct benefit to the people in their communities and businesses across the region, with direct applicability during the programme period
- Procured activity at local and regional level
- Opportunities to work across regions where appropriate and value added and where there is specific evidence of local benefit
- In-house delivery where appropriate and commensurate with organisational duties
- Ensuring appropriate match funding input depending on scale and nature of activity and avoiding paper-chase distracting from project delivery
- Ensuring genuine engagement from project deliverers and evidence of capacity to deliver
- Ensuring project deliverers have sufficient capacity to manage and deliver projects effectively
- Multi-agency approaches where appropriate and ensuring sufficient administrative capacity to operate projects effectively.

Guidance-permitting these approaches will be used individually or in combination subject to the needs of particular activities and projects.

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	
Describe any interventions not included in this list?	
N/A	
Who are the places you intend to collaborate with?	
<p>South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.</p>	

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	
Describe any interventions not included in this list?	
N/A	
Who are the places you intend to collaborate with?	
<p>South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.</p>	

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	
Describe any interventions not included in this list?	
N/A	

Who are the places you intend to collaborate with?

South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.

PUBLIC SECTOR EQUALITY DUTY

How have you considered your public sector equality duty in the design of your investment plan?

All four partner local authorities have published their Strategic Equality Plans for 2020-24 on their public websites below.

[Strategic Equality Plan – Neath Port Talbot Council \(npt.gov.uk\)](http://npt.gov.uk)

[Strategic Equality Plan - Appendix A.pdf - Swansea Council \(swansea.gov.uk\)](http://swansea.gov.uk)

[Strategic Equality Plan - Carmarthenshire Council \(carmarthenshire.gov.uk\)](http://carmarthenshire.gov.uk)

[Strategic Equality Plan 2020 - 24 - Pembrokeshire County Council](http://pembrokeshire.gov.uk)

All activities carried out by the local authorities including the design of this investment plan takes account of our legal obligations under the Equality Act 2010.

How will you consider your public sector equality duty when implementing your investment plan, including in the selection of projects?

When implementing the investment plan and during project selection we will pay due regard to how the applicants have considered the equalities impacts of their proposals, the relevant affected groups based on protected characteristics and any measures proposed in response to these impacts.

RISKS

Have you identified any key risks that could affect delivery, for example lack of staff or expertise?

Yes | No

(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.

Budgets have been set for the first year of programme delivery with indications that carry forward into future years will not be possible. The speed of design and implementation of the project development and approval process will therefore be time critical and failure to proceed at pace will risk funds being lost to the region. This will be mitigated by the dialogue already initiated with potential project delivers and early thinking on shaping of interventions to ensure the programme is up and running as quickly and efficiently as possible. This is subject to UK Government guidance being issued in a timely manner.

Multiply funding is provided at a considerable scale, quick resolution of early doors concerns will enable a swift start to capacity building and effective use of the funding opportunity.

Staff in the partner local authorities at senior management and programme level are in place and have the experience and expertise to design and implement this programme in a timely and efficient manner.

Managing demand and expectations particularly for legacy funded schemes where there could be loss of staff with experience and expertise. Some form of bridging arrangement is likely to be required but not an automatic refunding of legacy schemes.

As with the delivery with the UK Community Renewal Fund (CRF), programme level risk register for each priority will be developed, as well as ensuring that individual SPF projects maintain their own registers, which assess the seriousness of a risk, mitigation measures, reporting procedures and details of risk owners and actionees

Have you identified any key fraud risks that could affect UKSPF delivery?

No

(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.

No key fraud risks have been identified that would affect UKSPF delivery or otherwise

Partner local authorities all have effective systems for due diligence and robust Financial Procedure Rules in their constitutions which will be followed for this programme. These document in detail how the local authorities deal with risk management and control of resources, this includes procedures for:

- Risk Management
- Internal Control
- Audit Requirements
- Preventing Fraud, Corruption and Malpractice assets.

The partner authorities have grants manuals and accounting instructions in place that create a robust oversight and rigorous financial management.

Capacity and capability

In this section, we will ask you about:

- The capacity and capability of your team to manage funding
- The resources you have in place for work related to UKSPF

Your answers here will help us know how to support you with delivery. They will not affect the amount of funding you will get.

Answer as honestly as possible.

TEAM RESOURCE

How many people (FTE) will be put in place to work with UKSPF funding?

The working proposal is to create an effective administrative capacity linking the lead regional team in Swansea with local capacity in each of the four component authorities to ensure that the programme can effectively manage a strong portfolio of activities across the region, with effective and seamless communication and effective tangible delivery.

Describe what role these people will have, including any seniority and experience.

Swansea regional lead and day to day delivery

The lead Head of Service for Shared Prosperity Fund is Phillip Holmes, Head of Planning and City Regeneration in Swansea, whilst the lead Senior Manager is Paul Relf, Economic Development & External Funding Manager. The team responsible for the day-to-day management and delivery of the Shared Prosperity Fund on a regional basis will be headed up by Paul. Key personnel in the Economic Development and External Funding Team are detailed below who will be involved with the design and development of SPF both at regional level and at a local level in Swansea.

Key Personnel in Swansea:

- Paul Relf – Economic Development & External Funding Manager – over 20 years' experience in the development of economic policy, grant funding, programme and project design and delivery.
- Clare James – Economic Development Manager – over 20 years' experience in the development of economic policy, programme and project design and delivery.
- Elliott Williams – External Funding Manager – over 10 years' experience in grant funding and the development and delivery of programmes and projects.
- Richard Horlock – Principal External Funding Officer - over 10 years' experience in the delivery of programme and project delivery.
- Neil Stokes – External Funding Programme Officer - over 5 years' experience in the delivery of programmes and projects.
- Lukasz Dymarkowski – External Funding Programme Officer – over 5 years' experience in the delivery of programmes and projects.
- Hannah Healy – External Funding Officer – over 10 years' experience in the delivery of programmes and projects.

Additional staff will be seconded to the delivery of SPF at the appropriate time, however it is worth noting that the team is currently made up of over 60 members of staff with a wide range of experience in the development and delivery of both capital and revenue projects, including employability and skills schemes, business support, physical regeneration and heritage schemes, plus, rural, culture and tourism and education interventions. Skill sets include policy and project development, project management, finance, procurement and legal expertise. The team is also able to access subject matter expertise from a wide range of colleagues and services both within the Local Authority and externally through a robust network of public, private and third sector partners and has experience in doing so to develop and deliver a strong and varied portfolio of activities. Over recent years the team has secured funding, developed a portfolio of projects in excess of £100m and played a key role in the implementation of those projects at both a regional and local level.

Neath Port Talbot

Day-to-day delivery

Lisa Willis – Strategic Funding Programmes Manager. Over 20 years' experience in project and programme management, grant funding, strategic policy, governance and assurance.

Claire Williams – Strategic Funding Manager. Over 10 years' experience in project and programme management, monitoring and evaluation, compliance and assurance.

Julia Lewis – Strategic Funding Officer. Over 10 years' experience of project and programme coordination and monitoring.

Strategic Funding Officer – Loreen Jenkins. Over 10 years' experience of grant funding, finance and claims, monitoring and compliance.

Strategic Funding Officer – to be appointed. To support the delivery of the UKSPF in Neath Port Talbot.

The team works closely with internal and external partners from the public, private and third sectors and academia, across a wide area of priority areas including: regeneration, economic development, community coordination, employability, skills, transport and heritage.

Additional support from:

Nicola Pearce – Director of Environment and Regeneration. SRO for UKSPF in Neath Port Talbot.

Simon Brennan – Head of Property and Regeneration

Huw Jones – Chief Finance Officer

Craig Griffiths – Head of Legal Services

Chris Millis – Head of Education Development

All of the Council Officers in the roles identified above have extensive experience of project delivery and management in their own respective fields.

Track record

Neath Port Talbot Council has strong capability and capacity, with a successful track record of securing funding from a range of WG, European Structural Investment Funds, Lottery and LEADER and ensuring successful delivery, project compliance, monitoring and reporting for a wide variety of local and regional, revenue and capital funded projects. Some examples include:

- PDR Harbour Way Transport Scheme - £111m
- 21st Century Schools Programme - £122m
- Neath Port Talbot Regeneration - £15m
- Vibrant and Viable Places - £35m
- UK Community Renewal – suite of six local projects - £2.4m

Carmarthenshire

Day-to-day delivery

Helen Morgan – Economic Development Manager – over 20 years' experience in programme / project delivery

Rhian Philips – Economic Development Area Manager – over 20 years' experience in programme / project delivery

Beth Walters – Regional Engagement Team Manager – over 10 years' experience in programme / project delivery

Jayne Prichard – Senior Coordinator – over 20 years' experience in programme / project delivery

Jonathan Hancock – Bureau Coordinator – over 20 years' experience in programme / project delivery

All 5 have had extensive experience of external funding, including the Lottery and the EU Structural Funds (ERDF / ESF) and EU LEADER Programme.

Support from

Jason Jones – Head of Regeneration

Randal Hemingway - Head of Financial Services

Linda Rees Jones – Head of Legal Service

Helen Pugh – Head of Revenues and Financial Compliance

Chris Moore – Director of Finance

Pembrokeshire

In Pembrokeshire, this role will be taken by the External Funding Team with in the Finance Division of the Resources Directorate. It is anticipated that the following staff will be available to work on UK SPF. These staff will move onto UK SPF work as they complete work on EU and UK CRF programmes.

External Funding Manager	0.3 FTE
External Funding Officer	2.1 FTE
Senior Grant Officer	0.2 FTE
Grant Officer	3.5 FTE
Performance & Monitoring Officer	1.0 FTE

Pembrokeshire may in addition need to appoint one or more further Grant Officers, and make use of a Subsidy Control Officer currently being recruited, and will also seek support from Legal and Human Resources teams.

External Funding Manager

Managing and overseeing the work of the External Funding Team. Lead for Pembrokeshire County Council on the UK SPF. Direct supervision of External Funding Officers, Senior Grant Officer and Subsidy Control Officer. Worked on UK, EU and Welsh Government grant programmes with over 25 years' experience.

External Funding Officer

Application appraisal; liaison with projects awarded UK SPF to problem-solve and ensure that projects remain on track and compliant with funding conditions; sense-checking of claims and monitoring reports; local publicity initiatives; compilation of non-financial audit evidence (e.g. procurement evidence). Direct supervision of Performance & Monitoring Officer. Postholders have at least 20 years of grant management experience.

Senior Grant Officer

Supervision of Grant Officers. Accountancy qualified and with over five years' experience of grant management.

Grant Officers

Preparation of grant claims, production of estimates and compilation of audit evidence. Accountancy qualified to AAT or part-qualified ACCA.

Performance & Monitoring Officer

Monitoring and verification of outputs and outcomes; production of statistical reports. Experience mainly on ESF programmes with over five years' experience.

Subsidy Control Officer

Ensuring that all UK SPF projects delivered through Pembrokeshire County Council are compliant with the Subsidy Control Act 2022 and related legislation. New post, but will be supported by the External Funding Manager.

- Strong capability: Has extensive experience and/or a proven track record of delivery in this area.
- Strong capacity: High degree of confidence that there is enough staffing/resource to manage funding in this area.
- Some capability: Has previous experience of delivery in this area.
- Some capacity: Confident that there is enough staffing/resource to manage funding in this area.
- Limited capability: Does not have previous experience and/or no track record of delivery in this area.
- Limited capacity: Limited confidence that there is enough staffing/resource to manage funding in this area. Additional resource may be needed to support delivery.

CAPACITY AND CAPABILITY

How would you describe your team's current experience of delivering funding and managing growth funds?

✓ Very experienced	Some experience	No previous experience
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How would you describe your team's current capability to manage funding for procurement?

✓ Strong capability	Some capability	Limited capability
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How would you describe your team's current capability to manage funding for procurement?

<input checked="" type="checkbox"/> Strong capability	Some capability	Limited capability
How would you describe your team's current capacity to manage funding for procurement?		
<input checked="" type="checkbox"/> Strong capacity	Some capacity	Limited capacity
How would you describe your team's current capability to manage funding for subsidies?		
<input checked="" type="checkbox"/> Strong capability	Some capability	Limited capability
How would you describe your team's current capacity to manage funding for subsidies?		
<input checked="" type="checkbox"/> Strong capacity	Some capacity	Limited capacity

COMMUNITIES AND PLACE CAPACITY AND CAPABILITY

Does your local authority have any previous experience of delivering the Communities and Place interventions you have select?

Yes

How would you describe your team's current capability to manage funding for Communities and Place interventions?

<input checked="" type="checkbox"/> Strong capability	Some capability	Limited capability
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Describe the key capability challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.

N/A

Describe what further support would help address these challenges.

Further staff capacity is likely to be need within project interventions.

How would you describe your team's current capacity to manage funding for Communities and Place interventions?

<input checked="" type="checkbox"/> Strong capability	Some capability	Limited capability
---	-----------------	--------------------

Describe the key capacity challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.

N/A

Describe what further support would help address these challenges.

Further staff capacity is likely to be need within project interventions.

SUPPORTING LOCAL BUSINESS CAPACITY AND CAPABILITY

Does your local authority have any previous experience of delivering the Supporting Local Business interventions you have select?

Yes

How would you describe your team's current capability to manage funding for Supporting Local Business interventions?

<input checked="" type="checkbox"/> Strong capability	Some capability	Limited capability
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Describe the key capability challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.

N/A

Describe what further support would help address these challenges.

Further staff capacity is likely to be need within project interventions.

How would you describe your team's current capacity to manage funding for Supporting Local Business interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capacity challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Further staff capacity is likely to be need within project interventions.		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		

PEOPLE AND SKILLS CAPACITY AND CAPABILITY		
Does your local authority have any previous experience of delivering the People and Skills interventions you have select?		
Yes		
How would you describe your team's current capability to manage funding for People and Skills interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capability challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
N/A		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		
How would you describe your team's current capacity to manage funding for People and Skills interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capacity challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Further staff capacity is likely to be need within project interventions.		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		

SUPPORT TO DELIVERY UKSPF	
All lead authorities can use up to 4% of their UKSPF allocation to support the delivery of their chosen interventions but by exception, lead authorities will be able to use more than 4%. Are you planning to use more than 4%?	
<input type="checkbox"/> Yes	<input type="checkbox"/> No
(If Yes) Explain why you wish to use more than 4%.	
Initial proposal is to work within the 4% allocation.	

Approvals

Before submitting your investment plan, you should have approval from your:

- Chief Executive Officer
- Section 151 Officer
- Leader of your lead authority

Do you have approval from your Chief Executive Officer for this investment plan?

- Yes**
- No

Do you have approval from your Section 151 Officer for this investment plan?

- Yes**
- No

Do you have approval from the leader of your lead authority for this investment plan?

- Yes**
- No

If you do not have approval from any of these people, please explain why this is:
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N/A

Additional documents

You will have received an email giving you access to a folder where you will need to upload supporting evidence to your investment plan. All applicants must complete and upload the following spreadsheet to the folder prior to submitting their investment plan:

- UKSPF Expenditure Profile spreadsheet
- UKSPF Indicative Deliverables spreadsheet

Your investment plan submission will be considered incomplete without the required documents.

Have you completed and uploaded the two spreadsheets to the SharePoint folder as requested?

- Yes**
- No



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

Report of the Head of Legal and Democratic Services

Cabinet – 19 January 2023

ACCESS TO MEETINGS/EXCLUSION OF THE PUBLIC

Purpose:	To consider whether the Public should be excluded from the following items of business.
Item (s):	Agenda Item 9 – UK Shared Prosperity Fund – Approval of Strategic ‘Anchor’ Projects (Appendix 3 Only)
Recommendation(s):	That the public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it/they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.
Relevant Paragraph(s):	14

1. Purpose of Report

To enable Members to consider whether the public should be excluded from the meeting in relation to the item(s) listed above.

Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales)

Order 2007, allows a Principal Council to pass a resolution excluding the public from a meeting during an item of business.

Such a resolution is dependant on whether it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present during that item there would be disclosure to them of exempt information, as defined in section 100I of the Local Government Act 1972.

2. Exclusion of the Public/Public Interest Test

In order to comply with the above mentioned legislation, Members will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it/they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in Appendix A.

Where paragraph 16 of the Schedule 12A applies there is no public interest test. Members are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

Not applicable

4. Integrated Impact Assessment

Not applicable

5. Valleys Communities Impact

Not applicable

6. Workforce Impact

Not applicable.

7. Legal Implications

The legislative provisions are set out in the report.

Members must consider with regard to each item of business the following matters.

- (a) Whether in relation to that item of business the information is capable of being exempt information, because it falls into one of the paragraphs set out in Schedule 12A of the Local Government Act 1972 as amended and reproduced in Appendix A to this report.

and either

- (b) If the information does fall within one or more of paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended, the public interest test in maintaining the exemption outweighs the public interest in disclosing the information; or

- (c) if the information falls within the paragraph 16 of Schedule 12A of the Local Government Act 1972 in considering whether to exclude the public members are not required to apply the public interest test by must consider whether they wish to waive their privilege in relation to that item for any reason.

8. Risk Management

To allow Members to consider risk associated with exempt information.

9. Recommendation(s)

As detailed at the start of the report.

10. Reason for Proposed Decision(s):

To ensure that all items are considered in the appropriate manner.

11. Implementation of Decision(s):

The decision(s) will be implemented immediately.

12. List of Background Papers:

Schedule 12A of the Local Government Act 1972

13. Appendices:

Appendix A – List of Exemptions

Appendix A

NO	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual
13	Information which is likely to reveal the identity of an individual
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
15	Information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority
16	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
17	Information which reveals that the authority proposes: <ul style="list-style-type: none"> • To give under any enactment a notice under or by virtue of which requirements are imposed on a person, or • To make an order or direction under any enactment.
18	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

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By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

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