



## **CABINET**

**IMMEDIATELY FOLLOWING CABINET SCRUTINY COMMITTEE  
WEDNESDAY, 13 DECEMBER 2023**

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

**ALL MOBILE TELEPHONES TO BE SWITCHED TO SILENT FOR THE  
DURATION OF THE MEETING**

### **Webcasting/Hybrid Meetings:**

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### **Part 1**

1. Appointment of Chairperson
2. Chairpersons Announcement/s
3. Declarations of Interest
4. Minutes of Previous Meetings: *(Pages 5 - 22)*  
8 November 2023  
20 November 2023 (Special)  
28 November 2023 (Special)
5. Forward Work Programme 2023/24 *(Pages 23 - 24)*

6. Public Question Time  
Questions must be submitted in writing to Democratic Services, [democratic.services@npt.gov.uk](mailto: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.

**Matters for Decision:**

7. Quarter 2 - Revenue Budget Monitoring 2023/24 (*Pages 25 - 44*)
8. Quarter 2 - Capital Budget Monitoring 2023/24 (*Pages 45 - 60*)

**Matters for Monitoring:**

9. Quarter 2 - Treasury Management Monitoring 2023/24 (*Pages 61 - 68*)
10. Treasury Management Mid Year Review - 2023/24 (*Pages 69 - 84*)
11. Quarter 2 Performance Monitoring (*Pages 85 - 118*)
12. Urgent Items  
Any urgent items (whether public or exempt) at the discretion of the Chairperson pursuant to Regulation 5(4)(b) of Statutory Instrument 2001 No. 2290 (as amended).
13. Access to Meetings - Exclusion of the Public (*Pages 119 - 124*)  
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 paragraphs of Part 4 of Schedule 12A to the Local Government Act 1972.

**Part 2**

**Matters for Decision:**

14. Change of Operational Provision for the Vehicle and Plant Fleet (Exempt under Paragraph 14) (*Pages 125 - 134*)
15. Local Bus Tendering - De Minimis Subsidy Award (Exempt under Paragraph 14) (*Pages 135 - 150*)

16. Pontardawe Arts Centre  
(Exempt under Paragraph 14) *(Pages 151 - 240)*
17. Funding to Enhance the Homelessness and Strategic Housing  
Function  
(Exempt under Paragraph 14) *(Pages 241 - 280)*
18. Adult Services Strategic Investment  
(Exempt under Paragraph 14) *(Pages 281 - 322)*
19. Home Office Consultation on Safe and Legal Routes  
(Exempt under Paragraph 14) *(Pages 323 - 374)*

**K.Jones**  
**Chief Executive**

**Civic Centre**  
**Port Talbot**

**Wednesday 6 December 2023**

**Cabinet Members:**

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

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## EXECUTIVE DECISION RECORD

### CABINET

8 NOVEMBER 2023

#### **Cabinet Members:**

Councillors: S.K.Hunt (Chairperson), S.A.Knoyle, N.Jenkins, J.Hurley, S.Harris, W.F.Griffiths, S.Jones and C.Phillips

#### **Officers in Attendance:**

K.Jones, A.Thomas, N.Pearce, A.Jarrett, N.Daniel, H.Jones, C.Griffiths, D.Griffiths, S.Rees, C.Morris, C.Furlow-Harris, R.Crowhurst, L.Beynon, L.McAndrew, A.Thomas and T.Davies

**Scrutiny Chair and Vice Chair:** Councillors P.Rogers and C.Jordan

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#### 1. **APPOINTMENT OF CHAIRPERSON**

Agreed that Councillor S.K.Hunt be appointed as Chairperson for the meeting.

#### 2. **CHAIRPERSONS ANNOUNCEMENT/S**

The Chair explained that the private report, Item 15 (Proposed Option Agreement - Easements Within the Tonmawr Area) would be withdrawn from consideration at today's meeting.

#### 3. **DECLARATIONS OF INTEREST**

The following Members made declarations of interest at the start of the meeting, re Item No. 11 – 2023/24 Risk Register Monitoring – as they all have family working for Tata Steel. They did not consider the interests to be prejudicial, so they remained in the meeting and took part in the discussion and voting thereon:

- Councillor S.K.Noyle
- Councillor J.Hurley
- Councillor N.Jenkins

4. **MINUTES OF PREVIOUS MEETING**

That the minutes of the previous meeting, held on the 20 September 2023, be agreed as an accurate record.

5. **FORWARD WORK PROGRAMME 2023/24**

It was noted that Item 7 and Item 15 had been withdrawn from consideration at the meeting, and would be rescheduled on the Forward Work Programme.

6. **PUBLIC QUESTION TIME**

No public questions had been received.

7. **DRAFT ANNUAL REPORT 22/23**

**Decision:**

That the report be withdrawn from consideration at the meeting, and rescheduled to the meeting of Cabinet on 28 November 2023.

8. **BIODIVERSITY DUTY PLAN (2023-2026)**

**Decisions:**

1. That having had due regard to the Integrated Impact Assessment, the following be commended to Council for approval:
  - a. The Biodiversity Duty Plan (2020-2023) Implementation Report as detailed in Appendix 2 to the circulated report.
  - b. The Biodiversity Duty Plan (2023-2026) as detailed at Appendix 3 to the circulated report.

2. That the publication procedures, as set out in the circulated report, be implemented.

**Reason for Decisions:**

To ensure compliance with the requirements of the Environment (Wales) Act 2016 and to ensure that the Council commits to take steps to help nature recover.

**Implementation of Decisions:**

The decisions will be implemented after the three day call in period.

9. **PROPOSED CLOSURE OF CASH OFFICES AT NEATH AND PORT TALBOT CIVIC CENTRES**

**Decision:**

That the permanent closure to the public of the cash offices at Neath and Port Talbot Civic Centre's, be approved.

**Reason for Decision:**

To agree a permanent arrangement in relation to the two cash offices.

**Implementation of Decision:**

The decision will be implemented after the three day call in period.

10. **2022/23 - TREASURY MANAGEMENT OUTTURN REPORT**

**Decision:**

That the monitoring report be noted.

11. **2023/24 RISK REGISTER MONITORING**

**Decision:**

That the monitoring report be noted.

12. **URGENT ITEMS**

No urgent items were received.

13. **ACCESS TO MEETINGS - EXCLUSION OF THE PUBLIC**

**RESOLVED:** That pursuant to Regulation 4 (3) and (5) of Statutory Instrument 2001 No 2290, the public be excluded for the following item of business which involved the likely disclosure of exempt information as defined in Paragraph 13 and 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

14. **PASSENGER TRANSPORT REVIEW - APPOINTMENT OF CONSULTANTS (EXEMPT UNDER PARAGRAPH 14)**

During the earlier Cabinet Scrutiny Committee, an extra recommendation was commended for Cabinet's consideration. Cabinet agreed the extra recommendation, which was agreed and is reflected as decision No. 4. below.

**Decisions:**

1. That delegated authority be granted to the Head of Engineering and Transport, to commission consultancy services with respect to Home to School and ALN passenger transport work stream 'review', identified as part of the Council's short to medium term financial plan.
2. That Rule 7.3 of the Council's Contract Procedure Rules be suspended, and a contract be awarded to the consultants outlined within the private circulated report, via the public sector Eastern Shires Purchasing Organisation (ESPO).
3. That delegated authority be granted to the Head of Engineering and Transport, in consultation with the Head of Legal and Democratic Services, to complete the necessary agreement and associated documents, utilising the public sector Eastern Shires Purchasing Organisation (ESPO) Consultancy Framework, to facilitate same.



4. That a time line be put in place, and a parallel action agreed to look at enhancing skills of the team and growing the team.

15. **PROPOSED OPTION AGREEMENT - EASEMENTS WITHIN THE TONMAWR AREA (EXEMPT UNDER PARAGRAPH 14)**

**Decision:**

That the private report be withdrawn from consideration at today's meeting.

**CHAIRPERSON**

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**EXECUTIVE DECISION RECORD**

**CABINET**

**20 NOVEMBER 2023**

**Cabinet Members:**

Councillors: S.K.Hunt (Chairperson), N.Jenkins, J.Hurley, S.Harris,  
J.Hale, A.Llewelyn, W.F.Griffiths, S.Jones and C.Phillips

**Officers in Attendance:**

N.Pearce, C.Griffiths, A.Thomas, A.Jarrett, R.Crowhurst, S.Curran,  
J.Merrifield, R.Bowen, A.Thomas, P.Chivers and J.Woodman-Ralph

**Scrutiny Chair:** Councillor P.Rogers

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1. **APPOINTMENT OF CHAIRPERSON**

Agreed that Councillor S.K.Hunt be appointed as Chairperson for the meeting.

2. **CHAIRPERSONS ANNOUNCEMENT/S**

The Chair welcomed all to the meeting.

3. **DECLARATIONS OF INTEREST**

The following Member declared an interest at the start of the meeting:

Councillor N.Jenkins – Re item 6 – Strategic School Improvement Programme – As she is a governor at Maes Y Coed school.

4. **FORWARD WORK PROGRAMME 2023/24**

That the Forward Work Programme be noted.

5. **PUBLIC QUESTION TIME**

No questions from the public were received.

6. **STRATEGIC SCHOOL IMPROVEMENT PROGRAMME**

**Decision:**

That Officers be given permission to seek approval from Welsh Government to request a variation of the Council's Band Strategic Outline Programme (SOP) to remove the Swansea Valley scheme, and include a new build Godre'rgraig primary school, an extension to Maes Y Coed special school and the complete refurbishment of the former Education and Learning Resource Service (ELRS) building in Port Talbot and that the Council's Band C SOP be amended to include a replacement special school, as detailed in the circulated report.

**Reason for Decision:**

To allow officers to progress to preparing business cases, should Welsh Government approve the amendments.

**Implementation of Decision:**

The decision will be implemented after the three day call in period.

**Consultation:**

There is no requirement for external consultation at this stage. However should approval be secured then as schemes are developed it may be necessary to undergo statutory processes which would involve full consultation with stakeholders.

7. **URGENT ITEMS**

No urgent items were received.

**CHAIRPERSON**

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**EXECUTIVE DECISION RECORD**

**CABINET**

**28 NOVEMBER 2023**

**Cabinet Members:**

Councillors: S.K.Hunt (Chairperson), S.A.Knoyle, N.Jenkins, J.Hurley,  
S.Harris, J.Hale and W.F.Griffiths

**Officers in Attendance:**

N.Daniel, H.Jones, C.Griffiths, K.Warren, C.Furlow-Harris, H.Lewis, L.Willis,  
A.Thomas and T.Davies

**Scrutiny Chair:** Councillor P.Rogers

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1. **APPOINTMENT OF CHAIRPERSON**

Agreed that Councillor S.K.Hunt be appointed Chairperson for the meeting.

2. **CHAIRPERSONS ANNOUNCEMENT/S**

The Chair welcomed all to the meeting.

3. **DECLARATIONS OF INTEREST**

The following Members made declarations of interest at the start of the meeting:

Councillor S.Harris      Re Item 6 – Nomination of an Elected Member to the National Adoption Services Committee – as the report refers to her.

4. **FORWARD WORK PROGRAMME 2023/24**

The Forward Work Programme was noted.

5. **PUBLIC QUESTION TIME**

No public questions were received.

6. **NOMINATION OF AN ELECTED MEMBER TO THE NATIONAL ADOPTION SERVICES COMMITTEE**

**Decision:**

That Cllr Sian Harris, as Cabinet Member for Children and Family Services, be appointed as the Neath Port Talbot Council nominee to the National Adoption Services Committee.

**Reason for Decision:**

To fulfil the Council's responsibilities under the Adoption and Children Act 2002 (Joint Adoption Arrangements) (Wales) Directions 2015.

**Implementation of Decision:**

The decision will be implemented after the three day call in period.

7. **SETTING COUNCIL TAX BASE 24/25**

**Decisions:**

1. That the 2024/25 net Council Tax Base of £48,827.47, for the whole of the County Borough, be approved.
2. That for each Town and Community Council area, the amount shown in paragraph 4 of the circulated report be approved.

**Reason for Decisions:**

To determine the Council Tax Base for 2024/25.



**Implementation of Decisions:**

The decisions are for immediate implementation, following the agreement of the Scrutiny chair. There would be no call in of this item.

8. **AUDIT WALES DIGITAL STRATEGY REVIEW - ORGANISATIONAL RESPONSE**

**Decision:**

That the Organisational Response document, which Officers will issue to Audit Wales, as detailed at Appendix 3 to the circulated report, be approved.

**Reason for Decision:**

To ensure that the Council has considered and responded to the findings Thematic Digital Strategy Review.

**Implementation of Decision:**

The decision is for immediate implementation, following the agreement of the Scrutiny chair. There would be no call in of this item.

9. **CORPORATE PLAN “RESET, REVIEW, RECOVER” 2022-2027 ANNUAL REPORT PERIOD: 1ST APRIL 2022 TO 31ST MARCH 2023**

**Decisions:**

1. That the draft Corporate Plan “Reset, Review, Recover” 2022-2027 Annual Report for the period: 1st April 2022 to 31st March 2023, be commended to Council for adoption.
2. That the Leader of Council be given delegated authority to make such changes as may be needed to the Annual Report, prior to publication, provided that such changes do not materially alter the content of the document considered by Council.

**Reason for Decisions:**

To meet the statutory requirements set out in the Well-being of Future Generations (Wales) Act 2015.

**Implementation of Decisions:**

The decisions will be implemented after the three day call in period.

10. **2023-2024 STRATEGIC CHANGE PROGRAMME - "WORKING IN PARTNERSHIP FOR OUR PEOPLE, OUR PLACES AND OUR PLANET" - PROGRESS UPDATE**

**Decision:**

That the monitoring report be noted.

11. **CORPORATE GOVERNANCE IMPROVEMENT ACTION PLAN FOR 2023-2024 - HALF YEAR PROGRESS REPORT**

**Decision:**

That the monitoring report be noted.

12. **URGENT ITEMS**

No urgent items were received.

13. **ACCESS TO MEETINGS - EXCLUSION OF THE PUBLIC**

**RESOLVED:** That pursuant to Regulation 4 (3) and (5) of Statutory Instrument 2001 No 2290, the public be excluded for the following items of business which involved the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

14. **UK SHARED PROSPERITY FUND SKILLS AND MULTIPLY ROUND 2**

Officers corrected a minor error in relation to the detail of funding at Appendix 1 to the private, circulated report, concerning the Swansea University 'Technocamps: Digital Skills Pathways' project. A correction

was also highlighted in relation to the five Multiply applications, which had been received following the open call.

**Decisions:**

That having had due regard to the Integrated Impact Assessment screening:

1. The projects listed at Appendix 1 to the private, circulated report, submitted under the Neath Port Talbot UKSPF Skills Open Call, be APPROVED, subject to Subsidy Control assessments being approved by the Head of Property and Regeneration.
2. The projects listed at Appendix 2 to the private, circulated report, submitted under the Neath Port Talbot UKSPF Skills Open Call, NOT be approved.
3. Delegated authority be granted to the Director of Environment and Regeneration in consultation with the Chief Finance Office, the Leader and relevant Cabinet Member/s to approve projects submitted under the Neath Port Talbot UK Shared Prosperity Fund Multiply Round 2 Open Call.
4. The UK Shared Prosperity Fund project change process, be approved.

**Reason for Decisions:**

To enable Neath Port Talbot Council to implement the UKSPF Implementation Plan and advise Skills and Multiply applicants of the open call funding decision.

**Implementation of Decisions:**

The decisions will be implemented after the three day call in period.

15. **GLAMORGAN FURTHER EDUCATION TRUST FUND**

**Decisions:**

1. That the applications for awards, as detailed at Appendices B and C to the private, circulated report, made out of the Glamorgan Further Education Trust Fund for the academic year 2023/2024, to

eligible applications received on or before the closing date, be approved.

2. That the allocation of monies up to the maximum of £1832.00 for 5 full-time students (as detailed at Appendix B) and £840.00 for 1 part-time student (as detailed at Appendix C), be approved.
3. That payments to those applicants for whom continuing support from the Glamorgan Further Education Trust Fund has already been approved, continue.

**Reason for Decisions:**

To provide appropriate financial support for students who would otherwise suffer hardship.

**Implementation of Decisions:**

The decisions will be implemented after the three day call in period.

16. **THE HAROLD AND JOYCE CHARLES TRUST**

**Decisions:**

1. That the applications for awards, as detailed at Appendix B to the private, circulated report, made out of the Harold and Joyce Charles Fund, for the academic year 2023/2024 to eligible applications received on or before the closing date, be approved.
2. That the allocation of monies of £3,000.00 for 2 full-time students (detailed at Appendix B to the private, circulated report) be approved.
3. That payments continue, to those applicants for whom continuing support from the Harold and Joyce Charles Fund has already been approved.

**Reason for Decisions:**

To provide appropriate financial support for students who would otherwise suffer hardship.

**Implementation of Decisions:**

The decisions will be implemented after the three day call in period.

**CHAIRPERSON**

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**Cabinet Forward Work Programme:**

<b>Meeting Date 2023</b>	<b>Agenda Item and Type</b>	<b>Contact Officer</b>
<b><u>SPECIAL</u> 20<sup>th</sup> December</b>	Budget (Out for Consultation)	Huw Jones
	Freeports – Outline Business Case	Nic Pearce

Meeting Date 2024	Agenda Item and Type	Contact Officer
24 <sup>th</sup> January	Third Sector Grants	Louise McAndrew
	Self Assessment	Caryn Furlow/ Louise McAndrew

Meeting Date 2024	Agenda Item and Type	Contact Officer
14 Feb 2024	Heritage Strategy (Following Consultation)	Chris Saunders





## **CABINET**

**13<sup>th</sup> December 2023**

### **Report of the Chief Finance Officer – H.Jones**

**Wards affected – All**

#### **Matter for Decision**

**Revenue Budget Monitoring Report 2023/24 – As at the end of September 30<sup>th</sup> 2023**

#### **Purpose of Report**

To provide Members with information in relation to the Council's projected revenue budget position and savings as agreed for 2023/24.

#### **Background**

This report sets out the Council's projected budget position based on information available as at 30<sup>th</sup> September 2023.

#### **Budget Management Responsibility**

Under the Council's Constitution and Financial Procedure Rules Corporate Directors are responsible for managing their Budgets within the overall cash limit approved by Council.

A Corporate Director may exercise virements on budgets under his or her control for any amount on any one budget head during the year, following notification to the Chief Finance Officer provided that:

- a) overall expenditure and income is contained within the cash limit
- (b) except where virement would involve a significant variation in the level or nature of the delivery of the service approved by Council in the Revenue Budget.

## Summary

The Council's net revenue budget for 2023/24 is £361m (£338m in 2022/23). When the budget was set a number of service savings and efficiencies were required totalling £15m. The current position on these savings are attached in appendix 2, with a red, amber, green (RAG) rating to show their current status.

The overall budget position as at September 2023 is a £3.4m overspend after reserve requests. As the financial year progresses, services will need to continually review expenditure and income in their areas to mitigate the impact of the overall budget overspend.

<u>Summary 2023/24</u>							
	Original Budget	Revised Budget	Projected Outturn	Possible pay award adjustment	Probable Commitment	Reserves	Variance ~ Under / (Over)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Education, Leisure and Lifelong Learning - Schools	102,086	102,086	112,486	0		-10,400	0
Education, Leisure and Lifelong Learning - Other	31,677	31,405	32,239	-442		-260	-132
Social Services Health & Housing	105,572	105,909	109,961	-1,000		-152	-2,900
Environment	46,262	46,262	46,407	-1,000		2,155	-1,300
Strategy and Corporate	21,357	21,312	21,943	-387		-90	-154
<b>Directly Controlled Expenditure</b>	<b>306,954</b>	<b>306,974</b>	<b>323,036</b>	<b>-2,829</b>	<b>0</b>	<b>-8,747</b>	<b>-4,486</b>
Levies and contributions	10,203	10,203	10,203				0
Capital financing	19,608	19,608	19,303				305
Pay contingency	4,714	4,714	0	2,829	1,885		0
Contingency	781	761	461				300
Energy efficiency/Transition/Contingency	2,800	2,800	0		2,800		0
Council Tax Reduction Scheme (CTRS)	19,413	19,413	18,975				438
							0
Contributions from reserves	-3,500	-3,500	-3,500				0
							0
<b>(Overspend) / Underspend</b>	<b>360,973</b>	<b>360,973</b>	<b>368,478</b>	<b>0</b>	<b>4,685</b>	<b>-8,747</b>	<b>-3,443</b>

At present it is difficult to quantify the effect of the pay settlement for 2023/24. The current projections reflect the latest pay offer for green book staff of £1,925 per employee up to grade 13 and then 3.88% thereafter. The base budget included a provision for a 4% pay award and it has been calculated that based on the current offer that a further £2.8m for non school staff will be required to fund this uplift. A pay contingency budget was set aside in the 2023/24 budget setting process and once the pay award has been finalised, a virement will be requested to move this budget to the individual service directorates.

Teachers pay award has now been agreed at 5% from September 1<sup>st</sup>. Schools have estimated that including the pay award for non- teaching

staff, a further £2m will be required in order to fund the additional pay award in full.

The vacancy management target for the council in 2023/24 is £2.9m. To date there is a shortfall of £300k and for the purposes of this budget monitoring report, this shortfall of £300k has been built into the current overspend. It is anticipated that as the year goes on, this remaining target will be met in full or savings elsewhere will be identified to offset it.

In order to try to address the overspend position Officers will look to implement additional cost saving and income generation measures in year. These measures will only be where they can be delivered within existing policy frameworks.

Significant service variances of £100k or more are detailed below.

### **Education Leisure and Lifelong Learning (ELLL)**

Based on costs incurred to date the ELLL directorate is projected to overspend by £132k assuming additional funding is provided to cover the additional pay award. The main variances included in this £132k overspend are:

#### **Out of County placements £354k underspend**

Due to a mixture of additional income from children attending NPT schools and a reduction in independent sector placements.

#### **Home to school transport £366k overspend**

There have been several new routes since the budget was set, this pressure now brings the current cost of the home to school service to approximately £9.3m.

#### **Skills and Training unit £167k overspend**

The current Jobs Growth Wales contract sum is not covering the full cost of delivery. As the largest JGW provider within the consortium, discussions are underway with Pembrokeshire CC to address this in the hope of securing additional funding this financial year which will in turn reduce the projected overspend.

### **Education Leisure and Lifelong Learning (ELLL)-School Budgets**

The delegated school budget for 2023/24 is £102m. Based on projections to date, schools are expected to go into an overall deficit reserve position of £3.9m. The opening balance of school reserves as

at April 2023 was £6.5m. Included within this deficit position is an estimated pressure of £2m for unfunded pay awards.

Teachers pay award for 2023/24 has now been agreed at 5% from September 1<sup>st</sup> and non-teachers' pay is still under negotiation but assumed to be £1,925 per full time employee for the purposes of budget monitoring.

All schools currently reporting a deficit budget have been requested to submit a recovery plan.

The following risks have been identified within the ELLL directorate:

Welsh Government (WG) has passed legislation that means speed limits on most restricted roads will reduce from 30mph to 20mph from September 2023. The transport section are currently reviewing the impact of this on Home to School Transport. It is likely some existing routes will need to be revised and additional routes procured.

The unit costs of Home to School Transport continue to be monitored, a shortage of drivers and lack of competition means we are seeing an increase in the price of routes.

### **Social Services Health & Housing (SSHH)**

Based on costs incurred to date the SSHH directorate is projected to overspend by £2.9m assuming additional funding is provided to cover the additional pay award. The main variances included in this £2.9m overspend are:

#### **Children's Residential Care £391k overspend**

The overspend is based on the assumption that there will be an average of 22 children in residential care for the whole year, 2 more than the provision in the budget. Step down provision is being explored for a number of placements which would ease the pressure on this budget. It is becoming increasingly difficult to place children with more complex needs, this has been considered as part of the recruitment strategy and the amended foster plus scheme. By increasing the foster allowance, it should attract foster carers who are able to provide placements for young people whose needs are more complex.

#### **Adoption Service £100k underspend**

The cost of the joint service is shared out between the partners, Swansea, NPT and Bridgend and is apportioned on the number of adoption placements made each year. It is anticipated that NPT will receive a refund of £100k of its initial contribution based on refunds received in prior years. There is a risk that NPT adoption numbers could be higher this year and therefore a greater contribution required, placements will be monitored throughout the year and adjustments made if necessary.

Elderly Residential Care £817k underspend

The under spend is due to additional income, an increase in pensions has led to increased assessed charges and additional recovery of fees following the sale of residents assets.

Elderly Domiciliary Care £838k overspend

An overspend in the external market due to additional hours commissioned, 8,841 hours per week compared with 7,345 in the budget. This is partially offset by vacant posts within the in-house homecare service.

Community Resource Team - £190k underspend

Due to vacant posts over and above vacancy target.

Physical Disability Placements £212k overspend

Due to new placements.

Learning Disabilities £419k overspend

The projection is based on placements agreed and approximate start dates included for new placements. No costs have been included for placements that have been agreed in principle but no placement found, assuming that the additional cost will be offset by placement discharges.

The following risks are highlighted as potential future costs which are not included in the figures:

- Implications for night care from Fire Service report, need for more than 1 member of staff on night cover
- New placements (Careers Wales) at Star College and Beechwood College

Mental Health £787k overspend

Projection includes any placements where costs have been agreed. New placements where costs have been agreed will have approximate start

dates. It does not include placements agreed in principle and out to brokerage, on the assumption that the additional cost will be offset by placement discharges.

#### Housing Advice/Supported Tenancies £1.25m overspend

At the start of the pandemic WG changed the policy relating to homelessness to ensure no-one was sleeping rough. The policy change resulted in a much higher than average demand for temporary accommodation and meant that a significant amount of additional accommodation needed to be sourced urgently.

That specific change in policy has now been integrated into the Housing Wales Act via a secondary legislation change, therefore the majority of households presenting are now eligible for temporary accommodation so demand is likely to remain at current levels for some time.

Prior to the pandemic, average number in temporary accommodation at any one time was 50 households. Latest figures show 200 households are in temporary accommodation.

Work is ongoing to implement the Rapid Rehousing Plan which will ultimately reduce the use of temporary accommodation in the longer term and increase the stock of social housing across the borough, however this will develop over a period of between 5 – 10 years.

#### Hostels £249k overspend

This overspend is due to additional security being needed at two hostel sites.

### **Risks**

The SSHH budget is currently being underpinned by the use of £6.8m of earmarked reserves. These reserves are being used to fund the 'pressures to be monitored' which were included in the 2023/24 budget proposals as potential pressures which would not be built into the base budget but would require reserve funding if they became real costs.

It is not sustainable to continue to fund these costs from reserves on a permanent basis as the directorate reserves will run out in 2025/26 so consideration will need to be given as to how these costs can be funded on a permanent basis if they are going to be ongoing.

The figures do not include any in-year uplifts for providers. Providers of social care were given between 11% and 15% uplift for 23/24 to cover

inflationary pressures. Social services commissioning team are receiving requests for additional increases to fees, sometimes with notice given on placements if the higher fee is not agreed. The cost of finding alternative care will usually be more expensive than agreeing the higher fee.

### **Environment (ENV)**

Based on costs incurred to date the ENV directorate is projected to overspend by £1.3m assuming additional funding is provided to cover the additional pay award. The main variances included in this £1.3m overspend are:

#### **Public lighting £492K overspend**

This is due to the energy inflationary increase being in excess of the inflationary allowance, which is partially offset by other savings.

#### **Car Parking £388K overspend**

This overspend is due to two reasons. Firstly, due to a fall in footfall since COVID in town centres, the car parking income is lower. Secondly the budget agreed at Cabinet and Council included a proposal that car parking income would need to increase by £200k. This proposal has recently been agreed but we will not see a full financial year impact of the savings until the next financial year.

#### **Civic Buildings £435K overspend**

This is due to increases in electricity and gas in excess of the inflationary allowance. This estimate is based on current bills and will be regularly monitored and updated.

#### **Building Maintenance £105k overspend**

This pressure has arisen due to increased prices on external contracts.

#### **Non-operational land £129k overspend**

This is due to the loss of rent from former Wilkinson store in Neath town centre.

#### **Gnoll Park £105k overspend**

This is due to a decrease in visitor numbers and car parking income. The proposed barrier at the car park has been delayed due to the future planned programme of work at The Gnoll to be funded from the levelling up fund.

### **Strategy and Corporate Services (CORP)**

Based on costs incurred to date the CORP directorate is projected to overspend by £154K assuming additional funding is provided to cover the additional pay award.

There are no significant variances.

### **Central Budgets**

#### **Council tax reduction scheme £438k underspend**

This budget is projecting to underspend by £438k with 15,651 people currently receiving a reduction to their council tax in year.

### **Virements**

Please see below proposed virements which will need to be agreed as cross directorate budget transfers.

<b>Virements across directorates</b>			
<b>Directorate</b>	<b>Service Area</b>	<b>Value</b>	<b>Reason</b>
To CORP from ELLL	School meals	£ 13,000	Bank charges no longer chargeable on school meals
To ELLL from CORP	Archive Service	£ 13,000	Responsibility change of archive service

### **Council Reserves**

Under the Council’s constitution the use of existing reserves by Corporate Directors requires prior consultation with the Chief Finance Officer.

The Corporate Directors Group (CDG) has undertaken a detailed review of all specific reserves during the second quarter of 2023/24. This review has identified £6.9m of specific reserves which are no longer required for the purposes they were originally intended and which can now be repurposed.

Details of these reserves are included within Appendix 1 of this report and shown specifically in the table under the column headed ‘proposed repurposing’ and are summarised in the table below:

<b>Reserve to be repurposed</b>	<b>Value to be repurposed £’m</b>	<b>Reasoning</b>
---------------------------------	-----------------------------------	------------------



Additional learning needs	1,000	Total reserve balance not required
DARE*	2,000	Any investment required will be capital not revenue and will need to be funded through the capital programme.
Metal Box	1,085	Any investment required will be capital not revenue and will need to be funded through the capital programme.
Development fund for modernisation	76	Devices will need to be reused following next local election
Corporate Services equalisation	157	Total reserve balance not required
Corporate Services – capacity building	59	Total reserve balance not required
Income generation	1,500	Any investment required will be capital not revenue and will need to be funded through the capital programme.
Members community fund	352	Programme delivered in full – no further commitments
Strategic regeneration	1,500	Other external funding options available
Workways	170	Not required for original purpose
<b>Total</b>	<b>7,899</b>	

*\*Decarbonisation and Renewable Energy (DARE)*

The repurposed reserves will be used to pump prime three transformational initiatives as detailed below:

- £2.2m will be earmarked to support a programme of transformational change within Adult Services. The Cabinet will receive a separate report from the Director of Social Services, Health and Housing which will clearly set out the proposed change programme.
- £3.1m will be earmarked to support a further transformational change programme across Housing and Homelessness services. A further report setting out the detail will be presented to the Cabinet.
- £2.4m will be earmarked to fund a transformational programme in secondary and special schools. The aim of which will be to

improve attendance rates and reduce exclusions. Monitoring and progress reports will be provided to the Cabinet Board.

The balance of funding, £0.193m, will be transferred to the general reserve.

### **Integrated Impact Assessment**

There is no requirement to undertake an integrated impact assessment as this report summarises the Council's financial position

### **Valleys Communities Impacts**

No Impact

### **Workforce Impacts**

No Impact

### **Legal Impact**

No Impact

### **Risk Management Impact**

Due to the cost of living crisis, rising energy prices, inflation and post covid recovery, there is risk within the current budget projections which could result in significant variances.

Recent Welsh Government budget announcements also mean that there may be a risk around the availability of some in-year specific grants. Officers will monitor this situation and include any implications in subsequent budget monitoring reports.

### **Consultation**

This item is not subject to external consultation

### **Recommendations**

It is recommended that Cabinet:

- **Note** the contents of this report in relation to the current projected budget outturn and reserves position; including the repurposing of reserves detailed in the main body of the report.
- **Approve** the virements set out in the main body of this report.
- **Note** the progress against the agreed savings

- **Note** that Officers will look to implement additional cost saving and income generation measures in year in order to reduce the current overspend position. These measures will only be where they can be delivered within existing policy frameworks.

### **Reason for Proposed decision**

To comply with the Council's constitution in relation to budget for virements.

### **Implementation of Decision**

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

### **Appendices**

Appendix 1-Reserve Schedule

Appendix 2-Agreed savings RAG rating

### **Background Papers**

Budget Working Papers

### **Officer Contact**

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## Appendix 1 – Reserve Schedule

Description	Reserve Balance at 1st April 2023 £	Total Committed £	Reserve Balance Available £	Proposed repurposing £	Requirement for transformation £	Transformation Commitments £	Balance £
<b>Education, Leisure and Lifelong Learning</b>							
<u>Delegated Schools Reserves</u>							
ERVR Primary	Cr9,675	9,675	Cr0				Cr0
Primary Schools	Cr3,248,428	0	Cr3,248,428				Cr3,248,428
Secondary Schools	Cr2,382,943	0	Cr2,382,943				Cr2,382,943
Special Schools	Cr825,780	0	Cr825,780				Cr825,780
Middle School	Cr98,639	0	Cr98,639				Cr98,639
Repair & Maintenance	Cr161,160	0	Cr161,160				Cr161,160
	<b>Cr6,726,626</b>	<b>9,675</b>	<b>Cr6,716,951</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Cr6,716,951</b>
<u>Education, Leisure and Lifelong Learning Other</u>							
Additional learning needs reserve	Cr2,254,000	0	Cr2,254,000	1,000,000			Cr1,254,000
Equalisation Account-Education	Cr1,811,500	1,050,462	Cr761,038				Cr761,038
Home to School Transport	0	Cr253,000	Cr253,000				Cr253,000
	<b>Cr4,065,500</b>	<b>797,462</b>	<b>Cr3,268,038</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>Cr2,268,038</b>
<b>Total Education Leisure &amp; Lifelong Learning</b>	<b>Cr10,792,126</b>	<b>807,137</b>	<b>Cr9,984,989</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>Cr8,984,989</b>
<u>Social Services, Health and Housing</u>							
Homecare ECM Equipment reserve	Cr96,756	158,756	62,000				62,000
Community Care Transformation Reserve	Cr2,514,396	2,514,396	0				0
Children's Residential Placements	0	0	0				0
SSHH IT Renewals Fund	Cr1,900,000	1,900,000	0				0
Social Services Equalisation	Cr3,370,114	2,873,873	Cr496,241				Cr496,241

Description	Reserve Balance at 1st April 2023 £	Total Committed £	Reserve Balance Available £	Proposed repurposing £	Requirement for transformation £	Transformation Commitments £	Balance £
Community Resilience Fund	Cr1,750,000	1,750,000	0				0
Housing Warranties Reserve	Cr220,000	0	Cr220,000				Cr220,000
Hillside General Reserve	Cr431,098	0	Cr431,098				Cr431,098
Ring fenced homecare funding	Cr234,000	0	Cr234,000				Cr234,000
Youth Offending Team Reserve	Cr167,897	0	Cr167,897				Cr167,897
Adoption Service	Cr880,000	880,000	0				0
<b>Total Social Services, Health and Housing</b>	<b>Cr11,564,261</b>	<b>10,077,025</b>	<b>Cr1,487,236</b>	<b>0</b>		<b>0</b>	<b>Cr1,487,236</b>
<u>Environment</u>							
Transport Reserve	Cr315,173	Cr135,000	Cr450,173				Cr450,173
Asset Recovery Incentive Scheme	Cr44,593	Cr43,301	Cr87,894				Cr87,894
Swansea Bay City Deal	Cr221,000	0	Cr221,000				Cr221,000
Local Development Plan	Cr363,124	7,787	Cr355,337				Cr355,337
Parking improvement	Cr88,000	63,000	Cr25,000				Cr25,000
DARE Reserve	Cr2,000,000	0	Cr2,000,000	2,000,000			0
Waste Reserve	Cr1,536,454	83,208	Cr1,453,246				Cr1,453,246
Winter Maintenance Reserve	Cr568,429	0	Cr568,429				Cr568,429
Neath Market	Cr253,107	0	Cr253,107				Cr253,107
Baglan Bay Innovation centre - dilapidation reserve	Cr77,517	0	Cr77,517				Cr77,517
Renewable Energy Reserve	Cr17,959	0	Cr17,959				Cr17,959
Environmental Health - Housing Equalisation	Cr95,000	58,301	Cr36,699				Cr36,699
LAWDC Contingency Reserve	Cr815,177	Cr750,000	Cr1,565,177				Cr1,565,177
Workways - NPT	Cr325,522	0	Cr325,522				Cr325,522

Description	Reserve Balance at 1st April 2023 £	Total Committed £	Reserve Balance Available £	Proposed repurposing £	Requirement for transformation £	Transformation Commitments £	Balance £
Environment Equalization Reserve	Cr1,097,403	124,306	Cr973,097				Cr973,097
Metal box Reserve	Cr779,909	Cr305,333	Cr1,085,242	1,085,242			0
Pantteg Landslip Reserve	Cr500,000	32,737	Cr467,263				Cr467,263
<u>Trading Account</u>		0	0				0
Operating Account -Equalisation	Cr36,043	0	Cr36,043				Cr36,043
Vehicle Tracking	Cr92,186	71,000	Cr21,186				Cr21,186
Vehicle Renewals	Cr3,471,874	1,883,246	Cr1,588,628				Cr1,588,628
		0					
<b>Total Environment</b>	<b>Cr12,698,470</b>	<b>1,089,951</b>	<b>Cr11,608,519</b>	<b>3,085,242</b>	<b>0</b>	<b>0</b>	<b>Cr8,523,277</b>
<u>Strategy and Corporate Services</u>							
Elections Equalisation Fund	Cr151,139	Cr15,000	Cr166,139				Cr166,139
Health & Safety/Occupational Health	Cr40,501	0	Cr40,501				Cr40,501
Digital Transformation Reserve	Cr1,170,000	0	Cr1,170,000				Cr1,170,000
Schools IT Equalisation (HWB)	Cr470,000	70,000	Cr400,000				Cr400,000
Development Fund for Modernisation	Cr76,032	0	Cr76,032	76,032			0
Digital renewal reserve	Cr1,754,394	990,000	Cr764,394				Cr764,394
Chief Executives Equalisation Reserve	Cr359,736	105,000	Cr254,736	156,736			Cr98,000
Organisational development reserve	Cr4,636,436	2,097,000	Cr2,539,436				Cr2,539,436
Building Capacity	Cr241,295	82,000	Cr159,295	59,295			Cr100,000
Voluntary Organisation Reserve	Cr89,744	89,744	0				0
<b>Total Corporate Services</b>	<b>Cr8,989,277</b>	<b>3,418,744</b>	<b>Cr5,570,533</b>	<b>292,063</b>	<b>0</b>	<b>0</b>	<b>Cr5,278,470</b>
<u>Corporate Other</u>							

Description	Reserve Balance at 1st April 2023 £	Total Committed £	Reserve Balance Available £	Proposed repurposing £	Requirement for transformation £	Transformation Commitments £	Balance £
Insurance Reserve	Cr4,445,382	280,000	Cr4,165,382				Cr4,165,382
Covid recovery	Cr1,406,578	1,406,578	0				0
Income Generation Reserve	Cr1,663,230	50,000	Cr1,613,230	1,500,000			Cr113,230
Members Community Fund Reserve	Cr351,974	0	Cr351,974	351,974			0
Capital support reserve	Cr683,447	0	Cr683,447				Cr683,447
Hardship relief scheme	Cr1,725,000	1,725,000	0				0
Service resilience	Cr874,072	874,072	0				0
Discretionary fund	Cr335,725	335,725	0				0
Corporate Contingency	Cr2,492,993	1,125,273	Cr1,367,720				Cr1,367,720
Strategic regeneration capacity building	Cr1,500,000	0	Cr1,500,000	1,500,000			0
Treasury Management Equalisation Reserve	Cr8,407,767	0	Cr8,407,767				Cr8,407,767
Accommodation Strategy	Cr2,273,580	0	Cr2,273,580				Cr2,273,580
Transformational support for schools					Cr2,400,000	2,400,000	0
Transformation of adult social care			0		Cr2,166,000	2,166,000	0
Transformation of housing and homelessness			0		Cr3,140,000	3,140,000	0
<b>Total Corporate Other</b>	<b>Cr26,159,748</b>	<b>5,796,648</b>	<b>Cr20,363,100</b>	<b>3,351,974</b>	<b>Cr7,706,000</b>	<b>7,706,000</b>	<b>Cr17,011,126</b>
<u>Joint Committee</u>							
Margam Discovery Centre - Building Maintenance Reserve	Cr117,107	Cr57,333	Cr174,440				Cr174,440
Workways - Regional Reserve	Cr169,860	0	Cr169,860	169,860			0
Environment Legacy Reserve (SWTRA)	Cr59,728	0	Cr59,728				Cr59,728

Description	Reserve Balance at 1st April 2023 £	Total Committed £	Reserve Balance Available £	Proposed repurposing £	Requirement for transformation £	Transformation Commitments £	Balance £
Substance Misuse Area Planning Board	Cr153,568	0	Cr153,568				Cr153,568
WB Safeguarding Board Reserve	Cr94,676	0	Cr94,676				Cr94,676
Intermediate Care pooled fund	0	0	0				0
<b>Total Joint Committee</b>	<b>Cr594,939</b>	<b>Cr57,333</b>	<b>Cr652,272</b>	<b>169,860</b>	<b>0</b>	<b>0</b>	<b>Cr482,412</b>
<b>Total All Earmarked Reserves</b>	<b>Cr70,798,821</b>	<b>21,132,172</b>	<b>Cr49,666,649</b>	<b>7,899,139</b>	<b>Cr7,706,000</b>	<b>7,706,000</b>	<b>Cr41,767,510</b>
<b>General Reserve</b>	Cr20,150,693	4,900,000	Cr15,250,693	Cr7,899,139	7,706,000		Cr15,443,832
<b>TOTAL ALL RESERVES</b>	<b>Cr90,949,514</b>	<b>26,032,172</b>	<b>Cr64,917,342</b>	<b>0</b>	<b>0</b>	<b>7,706,000</b>	<b>Cr57,211,342</b>



**2023/24 Budget – Savings monitoring RAG Analysis**

Ref	Savings strategy	Responsible officer	2023/24 Saving £	Deliverability Status R/A/G	Comment/ Consequence
	<b>Efficiency/Economy measures identified</b>				
E&E1	Car Allowances	All managers	400,000	Green	
E&E2	CRB Checks	All managers	10,000	Green	
E&E3	Eye tests	All managers	7,000	Green	
E&E4	Water	All managers	52,000	Green	
E&E5	General office expenses, books and subscriptions	All managers	125,000	Green	
E&E6	Pat testing	All managers	10,000	Green	
E&E7	Periodicals, municipal journals etc.	All managers	2,500	Green	
E&E8	Window cleaning	All managers	10,000	Green	
E&E9	Canvassing	All managers	10,000	Green	
E&E10	Stationery	All managers	75,000	Green	
E&E11	Conference fees - overnight travel etc.	All managers	5,000	Green	
E&E12	Furniture purchasing	All managers	10,500	Green	
E&E13	Postages	All managers	3,000	Green	
E&E14	Medical Fees	All managers	40,000	Green	
E&E15	External printing	All managers	33,888	Green	
E&E17	Hire of room	All managers	17,000	Green	
	<b>Accommodation</b>				
ACC1	Buildings to be vacated - Closure of 5 satellite office buildings in phase 1 (2023/24)	Simon Brennan	158,000	Green	£113k achieved to date, Unable to negotiate surrender of Baglan resource centre-current lease ends August 25 <sup>th</sup> 2029. Savings achieve elsewhere
	<b>Grants</b>				
GR1	Maximisation of external grant funding	Simon Brennan	500,000	Green	Relates to SPF funding

## Appendix 2

Ref	Savings strategy	Responsible officer	2023/24 Saving £	Deliverability Status R/A/G	Comment/ Consequence
GR2	Offset ALN post against existing grant	Hayley Lervy	63,190	Green	
GR3	Catering business administrative post against grant	Rhiannon Crowhurst	48,000	Green	
<b><u>Subsidy removal</u></b>					
SUB1	Margam Park	Chris Saunders	100,000	Green	
SUB2	Increased income at skills and training unit	Chris Millis	25,000	Amber	Still in process of identifying what option to use to achieve this saving-original option no longer available
SUB3	Full cost recovery of school cleaning service	Rhiannon Crowhurst	167,275	Amber	Discussion ongoing regarding phasing
SUB4	Gnoll County Park	Mike Roberts	30,000	Red	Subject to delivery of LUF project
SUB6	Afan forest park	Simon Brennan	1,882	Green	
SUB0	Leisure Services	Chris Saunders	250,000	Green	One of pension saving and additional income
<b><u>Service Remodelling and integration</u></b>					
SERV1	Digital Savings (Mobile and Photocopier contracts)	Chris Owen	150,000	Green	
<b>Other</b>					
OTHER1	Pension Recharges - reduction in historic early access charges as numbers drop	Huw Jones	67,000	Green	

## Appendix 2

Ref	Savings strategy	Responsible officer	2023/24 Saving £	Deliverability Status R/A/G	Comment/ Consequence
OTHER2	Treasury Management - increased interest on investments	Huw Jones	500,000	Green	
OTHER3	Management of change recharge - Remove base budget for ER/VR use Organisation Development reserve if required	Andrew Thomas	200,000	Green	
OTHER4	Fall in pupil numbers as per settlement	Andrew Thomas	733,000	Green	
OTHER5	Pension Recharges - reduction in employer contribution rate from 2023/24	Huw Jones	5,109,000	Green	
OTHER6	Reversal of Social Care Levy - reduced employer national insurance contributions	Huw Jones	1,364,000	Green	
OTHER7	Vacancy management target - assumed 5% reduction in salary costs due to natural vacancies / turnover	All Directors	2,915,000	Amber	To date there is a shortfall of £300k
OTHER8	Council tax reduction scheme - reduction in claimants since pandemic levels	Huw Jones	750,000	Green	
OTHER9	Council tax collection rate - Cabinet approved increase to collection rate of 98% in Nov2022	Huw Jones	1,000,000	Green	
OTHER10	Offset costs against capital programme	Huw Jones	260,000	Green	
OTHER11	Corporate savings-Cex Budget - various initiatives across the four divisions of the corporate services portfolio - Legal, Finance, Digital and Organisational Development	Noelwen Daniel	150,000	Green	
<b>Total</b>			<b>15,352,235</b>		

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Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## **CABINET**

**13<sup>th</sup> December 2023**

### **Report of the Chief Finance Officer – H.Jones**

**Wards affected – All**

**Matter for Decision**

**Capital Budget Monitoring Report 2023/24 – As at end of September 2023**

#### **Purpose of Report**

To provide Members with information in relation to delivery of the 2023/24 Capital Programme.

#### **Background**

On 23<sup>rd</sup> September 2023 Council approved the revised Capital Programme for 2023/24; the report detailed planned Capital Expenditure totalling £93.5m.

The purpose of this report is to update Members as to the delivery of this Programme as at 30<sup>th</sup> September 2023 and to seek approval for a further updated budget position.

#### **Targeted Achievements**

As Members are aware the following achievements are being targeted during this financial year:

- Continuation of the capital Universal Free School Meals projects.
- Progress with the regeneration programme including the next phase of the re-development of the former Crown Foods Site.
- Continued investment in Disabled Facilities Grants.
- Investment in school buildings and ICT.

- City Deal – progression of the Homes as Power Stations and the remainder of the Supporting Innovation and Low Carbon Growth projects.
- Levelling up (LUF) – commencement of the projects at Gnoll Country Park and Pontneddfechan.
- Shared Prosperity Fund (SPF) – commencement of the 8 capital schemes as detailed in Appendix 1.

### **Changes to the approved Budget**

The updated Capital Programme now totals £64.0m with the main changes proposed being:

- Grant approvals received of £7.2m, predominantly relating to transport, and coal tip safety.
- In 2023/24 a budget of £14.1m had been included for City Deal SWITCH (South Wales Industrial Transition from Carbon Hub) Building at Harbourside. Following a delay to the procurement process the updated budget for 2023/24 is now £1m with the balance being re-profiled to 2024/25. The successful contractor was announced on 2nd May 2023 with 12 month design process commencing immediately.
- A budget totalling £10.6m had originally been included in 2023/24 for City Deal Advanced Manufacturing Production facility at Harbourside, £10.5m has now been re-profiled into 2024/25 due to issues with land acquisition.
- A budget totalling £2.2m had originally been included in 2023/24 for Neath Transport Hub. All of this budget has now been re-profiled into 2024/25 due to site relocation issues.
- In 2023/24 a budget of £4.2m had been included for Levelling Up Pontneddfechan. Following a review of the timetable for planned works the updated budget for 2023/24 is now £0.7m with the balance being re-profiled to 2024/25. This is as a result of ongoing land acquisition issues.
- In 2023/24 a budget of £6.4m had been included for Levelling Up Gnoll Country Park. Following a review of the timetable for planned works the updated budget for 2023/24 is now £1m with

the balance being re-profiled to 2024/25. This is due to some amendments made to the project which has extended the planning stage, planning applications submitted.

Where projects have been re-profiled into subsequent years there has been no loss of funding.

### **2023/24 Capital Expenditure**

Details of capital expenditure as at 30<sup>th</sup> September 2023 is outlined in Appendix 1 of this report.

### **Financial Impact**

All relevant details are set out in the body of the report.

### **Valleys Communities Impact**

The Capital Programme provides investment in assets across the County Borough.

### **Workforce Impacts**

There are no workforce impacts arising from this report.

### **Legal Impacts**

There are no legal impacts arising from this report.

### **Risk Management**

The capital programme is actively managed by managers and the Capital Programme Steering Group to comply with all relevant planning conditions, legislation, regulations and health and safety.

### **Consultation**

There is no requirement under the Constitution for external consultation on this item.

### **Recommendations**

It is recommended that Cabinet approves and commends to Council:

- The approval of the updated proposed 2023/24 budget totalling £64.0m;
- Note the position in relation to expenditure as at 30<sup>th</sup> September 2023.

### **Reason for Proposed Decision**

To comply with the Councils constitution in relation to budget virement, re-profiling between financial years and to update the Council's Budget projections for 2023/24.

### **Implementation of Decision**

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

### **Appendices**

Appendix 1 – Details of Capital Expenditure as at 30<sup>th</sup> September 2023

Appendix 2 – Details of Budget Changes as at 30<sup>th</sup> September 2023

### **List of Background Papers**

Capital Programme working files

### **Officer Contact**

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Capital Budget and Spend 2023/24 as at 30<sup>th</sup> September 2023

	Current Budget £'000	Proposed Budget £'000	Actual @ 30 <sup>th</sup> September £'000	Comments
<b>Education, Leisure &amp; Lifelong Learning</b>				
Capital Maintenance - ELLL	1,540	1,000	81	Works took place in school summer holidays, awaiting invoicing.
Capital Maintenance for Schools Previous Years Grants	3,286	3,575	1,758	Works took place in school summer holidays, awaiting invoicing.
Universal Primary Free School Meals	1,432	1,555	640	Works took place in school summer holidays, awaiting invoicing.
Supporting Learners with Additional Needs	503	1,386	60	Schemes now agreed.
Childcare Offer Grant – Small Grants, Cwmavon & YGG Blaendulais	2,315	2,315	148	Site works to commence in January.
Community Focused Schools Hubs 1-4	16	16	0	
Sustainable Schools Challenge – YGG Rhosafan	450	300	0	Tender document currently being prepared, out to tender end of October.
Hwb IT for Schools	449	449	0	Goods on order/due to be ordered.
Leisure Investment	289	289	93	
Margam Park Stonework Repairs	532	532	261	
Pontardawe Arts Centre Cinema	591	301	37	

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Dyfed Road Site Clearance	650	650	120	
Godre Graig Primary School - Demountable Units	0	475	0	Goods to be purchased.
Other – Education & Leisure	746	820	218	
<b>Environment</b>				
Highways and Engineering Maintenance	2,449	2,789	1,190	Works progressing according to planned timetable.
Drainage Grants	1,853	2,735	973	Works progressing according to planned timetable.
Match funding for grants (including flood prevention)	500	0	0	
Additional major engineering works Norton/Bevan Terrace	1,209	600	10	Majority of Norton Terrace works to be complete by October.
Resilient Roads Fund - Castle Drive Cimla	166	366	137	
Road Safety 20mph (multiple locations)	2,421	2,421	1,124	Schemes to be complete in autumn and full spend likely by December 2023.

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Active Travel	1,206	1,206	49	Budget is made up of various schemes. Tenders are due back the beginning of October on the largest scheme. The remainder of the schemes are at design stage/discussions ongoing with the relevant parties.
Local Transport Fund (multiple locations)	0	1,457	13	Design works ongoing and negotiations continuing with relevant parties.
Ultra Low Emission Vehicle Transformation Fund	0	759	0	Working with National Grid regarding grid connection.
Covid Recovery	426	417	57	
Covid Recovery - Catch Up, Clean Up, Green Up Capital Works	1,497	1,459	254	Majority of works progressing according to planned timetable. To be reviewed as part of Q3 report.
Additional Works Programme	2,555	2,547	824	Works progressing according to planned timetable.
Major Bridge Strengthening - A474 Neath	294	11	0	
Health & Safety	1,207	1,207	294	Works progressing according to planned timetable.
Neighbourhood Improvements	328	448	196	
Pavilions	252	252	81	

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Disability Access	124	124	27	
Crymlyn Burrows Transfer Station - site improvements	1,555	1,313	1,146	Majority of work completed.
Waste Fleet Relocation Works	1,750	1,992	18	Works commenced over the summer.
Electric Vehicle Charging Stations	1,044	944	684	Works progressing according to planned timetable.
Vehicle Replacement Programme	3,579	3,579	490	Awaiting outcome of transport fleet review.
Coal Tip Safety	0	2,843	58	Contract has been awarded for access to the site for the Dyffryn Rhondda scheme.
Environment Street Scene Works	997	537	28	
Regeneration: Match Funding for WG & UK Government Funding Streams	494	259	0	Spend dependant on grants received. Grants awarded to be reviewed as part of the Q3 budget monitoring process and budget updated if required.
Regeneration: Harbourside Infrastructure	441	441	0	
Regeneration: Margam Country Park EV Charging and Public Facilities	198	198	5	
Regeneration: Crown Buildings	378	408	0	Discussions ongoing around 2023/24 works programme.
Regeneration: Neath Transport Hub	2,192	0	0	

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Regeneration: Place Making 2 & 3	200	250	55	
Regeneration: Commercial Property Grant	316	316	14	
Regeneration: Other	581	861	51	
City Deal: The Technology Centre	64	64	0	Scheme now complete, some further staff costs likely in 2023/24.
City Deal: SWITCH Building at Harbourside	14,171	1,000	102	Successful contractor announced on 2 <sup>nd</sup> May with 12 month design process commencing immediately.
City Deal: Advanced manufacturing production facility at Harbourside	10,599	50	0	
City Deal: Low Emission Vehicles (LEV)	250	250	0	Goods due to be ordered.
City Deal: Air Quality Monitoring	190	190	14	Goods due to be ordered.
City Deal: Hydrogen Stimulus	926	926	0	Payment to University of South Wales imminent.
City Deal: Property Development Fund	498	200	5	Companies due to submit stage 2 applications.
City Deal: Homes as Power Stations	1,706	1,706	79	The Financial Incentives Fund has been launched.
Levelling Up: Gnoll Country Park	6,442	1,001	353	Contractor now appointed.
Levelling Up: Pontneddfechan	4,178	678	3	
Shared Prosperity Fund: Valley Industrial Units	249	249	4	Due to go out to tender by end of October.

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Shared Prosperity Fund: Aberavon Seafront Masterplan	49	49	1	Tenders currently being evaluated.
Shared Prosperity Fund: NPT Heritage, Culture & Tourism Fund	250	250	0	Enquires received waiting for full application forms to be submitted to panel.
Shared Prosperity Fund: Sustainable Communities Growth Fund	350	350	0	25 applications now received.
Shared Prosperity Fund: Third Sector Growth Fund	231	231	0	Applications being processed.
Shared Prosperity Fund: Open Call (RD&I)	535	535	0	Applications approved in September.
Shared Prosperity Fund: Valleys & Villages	293	293	2	Projects in development.
Shared Prosperity Fund: Supporting Local Business	400	400	0	Grant offer letters being drawn up.
Other - Environment	1,198	1,296	147	
<b>Social Services Health &amp; Housing</b>				
Capital Maintenance	354	354	191	
NPT Rent Rescue	825	825	498	
Homecare Electric Vehicles	152	152	152	
Enable – Support for Independent Living	281	281	107	

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> September £'000</b>	<b>Comments</b>
Disabled Facilities Grants	3,568	3,568	1,704	Works progressing according to planned timetable.
Other – Social Service & Housing	142	180	0	
<b>Other Services</b>				
School IT/ Vehicle Financing	1,090	1,100	487	
Other - Corporate Services	70	70	10	
Contingency	1,417	1,342	0	
<b>Total</b>	<b>93,489</b>	<b>63,992</b>	<b>15,053</b>	

Capital Budget Changes to 30<sup>th</sup> September 2023

Budget Changes	£'000	Comment
<b>Approved Budget 30<sup>th</sup> June 2023</b>	<b>93,489</b>	
<b>Budget Changes</b>		
Capital Maintenance - ELLL	-540	Re-profiled to 2024/25 to reflect planned spend
Capital Maintenance for Schools Previous Years Grants	289	Re-profiled from 2024/25 to reflect planned spend
Universal Primary Free School Meals	123	Re-profiled to reflect planned spend
Supporting Learners with Additional Needs	883	New grant awarded
Sustainable Schools Challenge – YGG Rhosafan	-150	Re-profiled to 2024/25 to reflect planned spend
Pontardawe Arts Centre Cinema	-290	Re-profiled to 2024/25 to reflect planned spend
Godre Graig Primary School - Demountable Units	475	New Scheme
Other – Education & Leisure Margam Park Dam	74	New scheme funded from contingency (see below)
Contingency	-75	Funding Margam Park Dam (see above)
Highways and Engineering Maintenance Carriageway Surface Treatment	260	Funded from Environment Street Scene Works
Highways and Engineering Maintenance Renewal of Coloured Surfacing & High Friction Surfacing	80	Funded from Environment Street Scene Works



<b>Budget Changes</b>	<b>£'000</b>	<b>Comment</b>
Neighbourhood Improvements	120	Funded from Environment Street Scene Works
Environment Street Scene Works	-460	Funding Neighbourhood Improvements and Highways and Engineering Maintenance
Drainage Grants	882	New grant awarded
Match funding for grants (including flood prevention)	-500	Re-profiled to 2024/25 to reflect planned spend
Additional major engineering works Norton/Bevan Terrace	-609	Re-profiled to 2024/25 to reflect planned spend
Resilient Roads Fund - Castle Drive Cimla	200	New grant awarded
Local Transport Fund (multiple locations)	1,457	New grant awarded
Ultra Low Emission Vehicle Transformation Fund	759	New grant awarded
Covid Recovery Playgrounds - Victoria Gardens/Mount Pleasant	-14	Transferred to Covid Recovery - Catch Up, Clean Up, Green Up (see below)
Covid Recovery - Catch Up, Clean Up, Green Up Capital Works Replacement/improvements of playground equip	14	Transferred from Covid Recovery - (see above)
Covid Recovery Subway Lighting Replacement	5	Contribution from revenue
Covid Recovery - Catch Up, Clean Up, Green Up Capital Works Fencing works at parks	-52	Transferred to Additional Works Programme (see below)
Additional Works Programme Improved Cleanliness/ Improved Grass Cutting	52	Transferred from Covid Recovery - Catch Up, Clean Up, Green Up (see above)
Additional Works Programme Improvements to Public Toilets	-60	Re-profiled to 2024/25 to reflect planned spend
Major Bridge Strengthening - A474 Neath	-283	Re-profiled to 2024/25 to reflect planned spend
Crymlyn Burrows Transfer Station - site improvements	-242	Re-profiled to below scheme

<b>Budget Changes</b>	<b>£'000</b>	<b>Comment</b>
Waste Fleet Relocation Works	242	Re-profiled from above scheme
Electric Vehicle Charging Stations	-100	Reduction in cost of scheme
Coal Tip Safety	2,843	New grant awarded
Regeneration: Match Funding for WG & UK Government Funding Streams	-235	Funding Aberavon Aquasplash Upgrade Phase 3 and Crown Buildings (see below)
Regeneration: Other Aberavon Aquasplash Upgrade Phase 3	280	Funded from Regeneration: Match Funding for WG & UK Government Funding Streams and Decarbonisation Strategy (DARE) brought forward from 2024/25
Regeneration: Crown Buildings	30	Funded from Regeneration: Match Funding for WG & UK Government Funding Streams
Regeneration: Neath Transport Hub	-2,192	Re-profiled to 2024/25 to reflect planned spend
Regeneration: Place Making 2 & 3	50	Funded from grant
City Deal: SWITCH Building at Harbourside	-13,171	Re-profiled to future years to reflect planned spend
City Deal: Advanced manufacturing production facility at Harbourside	-10,549	Re-profiled to future years to reflect planned spend
City Deal: Property Development Fund	-298	Re-profiled to future years to reflect planned spend
Levelling Up: Gnoll Country Park	-5,441	Re-profiled to 2024/25 to reflect planned spend
Levelling Up: Pontneddfechan	-3,500	Re-profiled to 2024/25 to reflect planned spend
Other – Environment Flood Prevention Initiatives	-80	Re-profiled to 2024/25 to reflect planned spend

<b>Budget Changes</b>	<b>£'000</b>	<b>Comment</b>
Other – Environment Maintenance - Structures and Council Owned Tips	-60	Re-profiled to 2024/25 to reflect planned spend
Other – Environment Safe Routes in Communities	50	New grant awarded
Other – Environment Godre'rgraig site clearance and land remediation	77	New scheme
Other – Environment PDR	40	New scheme
Other – Environment Giants Grave	71	New scheme
Other – Social Service & Housing	38	New grant awarded
School IT/ Vehicle Financing	10	Budget increased to reflect planned spend
<b>Updated Budget as at 30th September 2023</b>	<b>63,992</b>	

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## **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

### **CABINET**

#### **REPORT OF THE CHIEF FINANCE OFFICER – HUW JONES**

**13<sup>th</sup> December 2023**

#### **Matter for Monitoring**

**Wards Affected - All**

#### **TREASURY MANAGEMENT MONITORING 2023/24 AS AT 30<sup>TH</sup> SEPTEMBER 2023**

#### **Purpose of Report**

1. This report sets out treasury management action and information for 2023/24.
2. This report will also be forwarded to the next Governance and Audit Committee in line with the Council's Treasury Management Practices Scrutiny arrangements.

#### **Rates of Interest**

3. Over the past 18 months, the cost of living has risen sharply. The speed of this increase is called the 'rate of inflation'. It is the job of the Bank of England to keep this rate around their target of 2%, however, it is currently above this – mainly due to the higher price of goods coming in from abroad along with the increase in the cost of energy.
4. To reduce the rate of inflation, the Bank of England increase their interest rates. Since March 2022 the interest rates have increased as per below:

<b>Effective Date</b>	<b>Bank Rate</b>
16 <sup>th</sup> March 2022	0.75%
5 <sup>th</sup> May 2022	1.00%
16 <sup>th</sup> June 2022	1.25%
4 <sup>th</sup> August 2022	1.75%
22 <sup>nd</sup> September 2022	2.25%
3 <sup>rd</sup> November 2022	3.00%
15 <sup>th</sup> December 2022	3.50%
2 <sup>nd</sup> February 2023	4.00%
23 <sup>rd</sup> March 2023	4.25%
11 <sup>th</sup> May 2023	4.50%
22 <sup>nd</sup> June 2023	5.00%
3 <sup>rd</sup> August 2023	5.25%

5. The following table provides examples of external borrowing costs as provided by the Public Works Loans Board (certainty rate) as at 17<sup>th</sup> October 2023:

	<b>Equal Instalments of Principal</b>		<b>Annuity</b>		<b>Maturity</b>	
	<b>Previous 26Jul23</b>	<b>Current 17Oct23</b>	<b>Previous 26Jul23</b>	<b>Current 17Oct23</b>	<b>Previous 26Jul23</b>	<b>Current 17Oct23</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
5-5.5 years	5.62	5.37	5.60	5.36	5.29	5.18
10-10.5 years	5.26	5.17	5.22	5.16	5.07	5.30
20-20.5 years	5.07	5.30	5.11	5.39	5.29	5.68
35-35.5 years	5.27	5.63	5.28	5.70	5.14	5.63
49.5-50 years	5.27	5.70	5.17	5.64	4.97	5.47

### **General Fund Treasury Management Budget**

6. The following table sets out details of the treasury management budget for 2023/24 along with outturn figures for 2022/23. The budget consists of a gross budget for debt charges i.e. repayment

of debt principal and interest, and interest returns on investment income.

<b>2022/23 Outturn £'000</b>		<b>2023/24 Original Budget £'000</b>
21,646	Principal and Interest charges	20,732
	<b>Investment Income</b>	
(1,523)	- Total	(1,500)
577	- less allocated to other funds	375
<b>(946)</b>	<b>Subtotal Income</b>	<b>(1,125)</b>
0	Contribution from General Reserves	0
0	Contribution to General Reserves	0
(186)	Contribution to/(from) treasury management reserve	0
<b>20,514</b>	<b>Net General Fund</b>	<b>19,607</b>

# NB: Other funds include Trust Funds, Social Services Funds, Schools Reserves, Bonds etc.

## **Borrowing**

7. There has been no new loans taken out since the last report.

## **Investments**

8. The following are a list of investments as at 30<sup>th</sup> September 2023:

<u>Counterparty</u>	<u>Value (£)</u>	<u>Investment type</u>	<u>Investment start</u>	<u>Investment maturity</u>	<u>Interest rate</u>
Goldman Sachs International Bank	£5,000,000	Fixed	25 <sup>th</sup> May 2023	24 <sup>th</sup> Nov 2023	5.24%
Goldman Sachs International Bank	£5,000,000	Fixed	5 <sup>th</sup> July 2023	5 <sup>th</sup> October 2023	5.50%
Cambridgeshire C.C.	£5,000,000	Fixed	6 <sup>th</sup> Dec 2021	6 <sup>th</sup> Dec 2023	0.40%
South Ayrshire Council	£5,000,000	Fixed	27 <sup>th</sup> Mar 2023	27 <sup>th</sup> Mar 2026	4.30%
Medway Council	£5,000,000	Fixed	10 <sup>th</sup> Feb 2023	10 <sup>th</sup> Feb 2027	4.35%
Middlesborough Borough Council	£5,000,000	Fixed	12 <sup>th</sup> Sep 2023	12 <sup>th</sup> Dec 2023	5.45%
Somerset Council	£5,000,000	Fixed	29 <sup>th</sup> Sep 2023	29 <sup>th</sup> Dec 2023	5.45%
DMO	£6,800,000	Fixed/ Overnight	N/A	N/A	5.17% - 5.245%
Santander	£7,700,000	Call Account	N/A	N/A	5.25%
Lloyds	£7,800,000	Call Account	N/A	N/A	5.14%

9. Please note – the Council’s investment criteria (appendix 1) allows for a maximum investment for an F1 rated counterparty to be £15m. Santander are currently an F1 rated counterparty – however, the policy also allows for this to be temporarily exceeded in exceptional circumstances.

### **Investment Income**

10. In line with the Council’s Investment Strategy, the 2022/23 original budget target for investment income is £1.5m, income for the financial year to date totals £1.1m. This target will be reviewed throughout the year and adjusted if necessary with any variances going into/out of the Treasury Management reserve.



11. Members should note that the short-term investments are classified as 'specified' i.e. up to 12 months and are currently deposited with DMO, Local Authorities, Goldman Sachs International Bank, Lloyds Bank, and Santander Bank.
12. The Council policy allows long-term investments up to a maximum of £25m for periods of more than 1 year and up to 5 years. The Council has two investments in this category which are both made to other Local Authorities.

### **Financial Impact**

13. All relevant financial information is provided in the body of the report.

### **Integrated Impact Assessment**

14. There is no requirement to undertake an Integrated Impact Assessment as this report is for monitoring purposes.

### **Valleys Communities Impacts**

15. No implications

### **Workforce Impacts**

16. There are no workforce impacts arising from this report.

### **Legal Impacts**

17. There are no legal impacts arising from this report.

## **Risk Management**

18. Borrowing and investment decisions are made in line with the Council's Treasury Management Policy. The Council has appointed Link Asset Services to provide support and advice in relation to this policy.

## **Consultation**

19. There is no requirement under the Constitution for external consultation on this item.

## **Recommendation**

20. It is recommended that Members note the contents of this monitoring report.

## **Appendices**

21. Appendix 1 - Specified Investments

## **List of Background Papers**

22. PWLB Notice Number 395/23

## **Officer Contact**

Mr Huw Jones – Chief Finance Officer

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Mr Ross Livingstone – Group Accountant – Capital and Corporate

E-mail – [r.livingstone@npt.gov.uk](mailto:r.livingstone@npt.gov.uk)

## Specified Investments

	<b>Minimum 'High' Credit Criteria</b>	<b>Funds Managed</b>	<b>Max Amount</b>	<b>Max Duration</b>
<b>Term deposits</b>				
Term deposits - Debt Management Office	N/A	In-house	Unlimited	1 year
Term deposits – local, police and fire authorities	N/A	In-house	£10m	1 year
Term deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F1+, F1	In-house	£20m	1 year
Term deposits – UK banks/Building Societies	Fitch short-term rating F1+	In-house	£20m	1 year
Term deposits – UK banks/Building Societies	Fitch short-term rating F1	In-house	£15m	6 months or 185 days
<b>Callable deposits</b>				
Callable deposits – Debt Management Agency deposit facility	N/A	In-house	Unlimited	
Callable deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F1+, F1	In-house	£20m	
Callable deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F2	In-house	£10m	
Callable deposits - UK banks/Building Societies	Fitch short-term rating F1+ or F1	In-house	£15m *	
Term deposits – non UK banks	Fitch short-term rating F1+	In-house	£5m	6 months or 185 days

\* Where necessary this limit may be temporarily exceeded with the Authority's bankers only.

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Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

### REPORT OF THE CHIEF FINANCE OFFICER HUW JONES

13<sup>th</sup> December 2023

#### MATTERS FOR: MONITORING

#### WARDS AFFECTED - ALL

#### TREASURY MANAGEMENT MID YEAR REVIEW REPORT 2023/24

##### Purpose of the Report

1. To review treasury management activities for the 6 month period to 30<sup>th</sup> September 2023.

##### Background

2. The Council operates a cash balanced treasury budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.
3. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt

previously drawn may be restructured to meet Council risk or cost objectives.

4. As a consequence treasury management is defined as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. ”

### **Introduction**

5. The Chartered Institute of Public Finance and Accountancy’s (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council at the Council meeting in 28<sup>th</sup> February 2013.

The primary requirements of the Code are as follows:

- (i) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council’s treasury management activities.
- (ii) Creation and maintenance of Treasury Management Practices set out in the manner in which the Council will seek to achieve those policies and objectives.
- (iii) Receipt by the full Council of an Annual Treasury Management Strategy Statement – including the Annual Investment Strategy and Minimum Revenue Provision Policy – for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
- (iv) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- (v) Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated bodies are the Audit and Policy and Resources Committees.

## Scheme of Delegation

<b>Area of Responsibility</b>	<b>Council/ Committee</b>	<b>Frequency</b>
Treasury Management Strategy / Annual Investment Strategy / MRP policy	Cabinet for approval by Full Council	Annually before the start of the year
Treasury Management Strategy / Annual Investment Strategy / MRP policy – mid year report	Cabinet	Mid year
Treasury Management Strategy / Annual Investment Strategy / MRP policy – updates or revisions at other times	Cabinet for approval by Full Council	Periodically
Annual Treasury Outturn Report	Cabinet	Annually by 30 <sup>th</sup> September after the end of the year
Treasury Management Monitoring and Performance Reports	Cabinet and Audit Committee	Quarterly Quarterly
Treasury Management Practices	Cabinet for approval by Full Council	Annually
Scrutiny of Treasury Management Strategy	Cabinet (and Audit Committee)	Annually

6. This mid-year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:
- An economic update for 2023/24;
  - A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
  - The Council's capital expenditure (prudential indicators);
  - A review of the Council's investment portfolio for 2023/24;
  - A review of the Council's borrowing strategy for 2023/24;
  - A review of any debt rescheduling undertaken during 2023/24;

- A review of compliance with Treasury and Prudential Limits for 2023/24.
- Revised Treasury and Prudential Limits for 2023/24 to 2025/26.

7. There have been no changes to the approved Treasury Management and Investment Strategies for the 6 months up to 30<sup>th</sup> September 2023

## Economic Update

8. The first half of 2023/24 saw:
- Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
  - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
  - A 0.5% decline in real GDP in July, mainly due to more strikes - which suggests that underlying growth has lost momentum since earlier in the year
  - CPI inflation falling from 8.7% in April to 6.7% in August, its lowest rate since February 2022, but still the highest in the G7.
  - Core CPI inflation declining to 6.2% in August from 7.1% in April and May, a then 31 years high.
  - A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3myy growth of average earnings rose to 7.8% in August, excluding bonuses).

## Interest rate forecasts

9. The Council's treasury advisor, Link Group, provided the following forecasts on 25th September 2023

Link Group Interest Rate View	25.09.23													
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.00	2.75	2.75	2.75	2.75	2.75	
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.00	2.80	2.80	2.80	2.80	2.80	
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.10	2.90	2.90	2.90	2.90	2.90	
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.20	3.00	3.00	3.00	3.00	3.00	
5 yr PWLB	5.10	5.00	4.90	4.70	4.40	4.20	4.00	3.90	3.70	3.70	3.60	3.60	3.50	
10 yr PWLB	5.00	4.90	4.80	4.60	4.40	4.20	4.00	3.80	3.70	3.60	3.60	3.50	3.50	
25 yr PWLB	5.40	5.20	5.10	4.90	4.70	4.40	4.30	4.10	4.00	3.90	3.80	3.80	3.80	
50 yr PWLB	5.20	5.00	4.90	4.70	4.50	4.20	4.10	3.90	3.80	3.70	3.60	3.60	3.60	



## The Council's Capital Position (Prudential Indicators)

10. This part of the report updates:
- The Council's capital expenditure plans;
  - How these plans are being financed;
  - The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
  - Compliance with the limits in place for borrowing activity.

### The Council's Capital Expenditure and Financing 2023/24:

	<b>2022/23 Actual £'000</b>	<b>2023/24 Original Estimate £'000</b>	<b>2023/24 Current Estimate £'000</b>
Capital expenditure	44,097	118,053	63,992
Resourced by:			
• Capital receipts	3,416	0	475
• Capital grants & contributions	21,196	90,582	48,511
• Capital reserves + DRF	3,338	4,934	5,560
<b>Capital Expenditure to be financed from borrowing</b>	<b>16,147</b>	<b>22,537</b>	<b>9,446</b>

11. The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the unfinanced capital expenditure, and prior years' unfinanced capital expenditure which has not yet been paid for by revenue or other resources.
12. Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLb] or the

money markets), or utilising temporary cash resources within the Council.

13. Reducing the CFR – the Council’s underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
14. The total CFR can also be reduced by:
  - The application of additional capital financing resources (such as unapplied capital receipts); or
  - Charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
15. The Council’s 2023/24 MRP Policy (as required by CIPFA Code of Practice on Treasury Management) was approved by Council as part of the Treasury Management Strategy Report for 2023/24 on 2<sup>nd</sup> March 2023.
16. The Council’s CFR for the year is shown below, and represents a key prudential indicator.

<b>CFR</b>	<b>2022/23 Actual £'000</b>	<b>2023/24 Original Estimate £'000</b>	<b>2023/24 Current Estimate £'000</b>
Opening balance	349,573	355,073	355,073
Add unfinanced capital expenditure (point 10)	16,147	22,537	9,446
Less MRP/Set aside receipts	(10,647)	(11,597)	(11,492)
<b>Closing balance</b>	<b>355,073</b>	<b>366,013</b>	<b>353,027</b>

The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

17. Net borrowing and the CFR – in order to ensure that borrowing levels are prudent over the medium term the Council’s external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have exceeded the CFR. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2023/24. The following table highlights the Council’s net borrowing position against the CFR. This shows the Council is complying with this prudential indicator as projected net borrowing is less than the CFR.

	<b>2022/23 Actual £'000</b>	<b>2023/24 Original Estimate £'000</b>	<b>2023/24 Current Estimate £'000</b>
External Debt (Gross) Less Investments	295,195 (53,600)	276,357 (52,500)	276,357 (52,500)
Net Borrowing Position	241,595	223,857	223,857
CFR	355,073	366,013	353,027

18. The authorised limit – the authorised limit is the “affordable borrowing limit” required by Section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level.
19. The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

	<b>2022/23 Actual £'000</b>	<b>2023/24 Original Estimate £'000</b>	<b>2023/24 Current Estimate £'000</b>
Authorised Limit	405,073	416,013	403,027
Operational Boundary	385,073	396,013	383,027
Gross Borrowing *	310,517	295,195	295,195

\* Total maximum long term and short term

20. This report confirms that during the first 6 months of 2023/24 Council has maintained gross borrowing within the Authorised Limit.

### **Investment Portfolio 2023/24**

21. In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. Due to the increase in the Bank of England base rate, this will lead to an increase in the expected return on investments made – albeit making sure we remain consistent with the Council's risk appetite.
22. It is confirmed that the approved limits within the Annual Investment Strategy have not been breached during the first six months of 2023/24.
23. The Council's original budget for investment return for 2023/24 has been set at £1.5m. This is being reviewed regularly and if there is any shortfall the balance will be funded from the Treasury Management Reserve.
24. The Treasury Management Strategy Statement (TMSS) for 2023/24, which includes the Annual Investment Strategy, sets out the Council's investment priorities as being:
- Security of Capital
  - Liquidity
25. There has been no change in the Council's Investment Strategy aims from those approved on 2<sup>nd</sup> March 2023. The aim continues to be to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate, it is considered appropriate to keep an adequate level of investments which can be instantly accessed to cover short term cash flow needs. The Council also seeks out value where available in significantly higher rates in periods up to 12 months with approved institutions that meet the Council's stringent credit rating assessment.

26. Investment rates available have continued at historically low levels. The average level of funds available for investment purposes during the period was affected by the timing of precept payments, receipt of grants and progress on the Capital Programme.

**Investment performance to the 30<sup>th</sup> September 2023**

27. The Council held £57.3m of investments as at 30th September 2023 and the investment interest earned is £1.15m for the first six months of the year.

A full list of investments held as at 30<sup>th</sup> September 2023 is provided in Appendix 1.

**Investment counterparty criteria and proposed amendments**

28. The current investment counterparty criteria approved by Members earlier this year are detailed in Appendix 3 of this report.

**Borrowing**

29. The Council’s agreed Strategy in relation to borrowing is set out in the Treasury Management Strategy Report as approved by Council. This strategy outlined that consideration would be given to entering into new external borrowing if PWLB (or money market) rates became more favourable.

30. During 2023/24 the Council has not entered into any new loans with the PWLB.

**Borrowing in advance of need**

31. The Council has not borrowed in advance of need during the six month period ended 30<sup>th</sup> September 2023. Members should note that the total external debt projection for 31<sup>st</sup> March 2024 is as follows:

	£'000
Public Works Loans Board (PWLB)	210,802
Market Loans	62,500
Salix (Public Lighting) Loan	1,458
Temporary Borrowing	1,597
<b>Total</b>	<b>276,357</b>

### **Debt Rescheduling**

32. Debt rescheduling opportunities have been non-existent during 2023/24 due to the penalties involved in entering into such arrangements.

### **Compliance with Treasury and Prudential Limits**

33. It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's original approved Treasury and Prudential Indicators (affordability) limits were included in the approved Treasury Management Strategy Statement as reported to Council on 2<sup>nd</sup> March 2023.
34. During the financial year to date, the Council has operated within the Treasury Limits and Prudential Indicators set out in the Treasury Management Strategy Statement and in compliance with the Treasury Management Practices. The Prudential and Treasury Indicators for 2023/24 onwards have been revised and are presented in Appendix 2.

### **Financial Impact**

35. All relevant financial information is provided in the body of the report.

### **Integrated Impact Assessment**

36. There is no requirement to undertake an Integrated Impact Assessment as this report is for information purposes.

### **Valleys Communities Impacts**

37. No implications

### **Workforce Impacts**

38. There are no workforce impacts arising from this report.

### **Legal Impacts**

39. There are no legal impacts arising from this report.

## **Risk Management**

40. There are several risks associated with the treasury management activities. These include interest rate fluctuations, counter party investment, international economic and political etc. The treasury management strategy is included within the Council's Corporate Risk Register.

## **Consultation**

41. There is no requirement under the Constitution for external consultation on this item.

## **Recommendation**

42. Members **note** the Treasury Management activities to date this financial year, and how they relate to the proposed activities within the original 2023/24 Treasury Management Strategy and Annual Investment Strategy Statements.

## **Appendices**

43. Appendix 1 – Investment Position as at 30<sup>th</sup> September 2023  
Appendix 2 – Prudential Indicators  
Appendix 3 – Specified Investments - Current Criteria

## **List of Background Papers**

44. Link Asset Services Mid-year Reporting Template  
Investment and Borrowing Records 2023/24

### **Officer Contact:**

Mr. Huw Jones – Chief Finance Officer  
E-mail: [h.jones@npt.gov.uk](mailto:h.jones@npt.gov.uk)

Mr. Ross Livingstone - Group Accountant (Capital and Corporate)  
E-mail: [r.livingstone@npt.gov.uk](mailto:r.livingstone@npt.gov.uk)

**Investment Position as at 30<sup>th</sup> September 2023**

<b>Borrower</b>	<b>Maturity</b>	<b>Rate %</b>	<b>Total £'000</b>
<b><u>Banks and Building Societies</u></b>			
Goldman Sachs	24 <sup>th</sup> Nov 2023	5.24	5,000
Goldman Sachs	5 <sup>th</sup> Oct 2023	5.50	5,000
<b><u>Other Local Authorities</u></b>			
Cambridgeshire CC	6 <sup>th</sup> Dec 2023	0.40	5,000
South Ayrshire CC	27 <sup>th</sup> Mar 2026	4.30	5,000
Medway Council	10 <sup>th</sup> Feb 2027	4.35	5,000
Middlesborough BC	12 <sup>th</sup> Dec 2023	5.45	5,000
Somerset Council	29 <sup>th</sup> Dec 2023	5.45	5,000
DMO	6 <sup>th</sup> Oct 2023	5.17- 5.245	6,800
<b><u>Call Deposit</u></b>			
Santander	Instant Access	5.25	7,700
Lloyds	Instant Access	5.14	7,800
<b>Total</b>			<b>57,300</b>



## PRUDENTIAL INDICATORS

<b>PRUDENTIAL INDICATORS</b>	<b>2022/23 Actual</b>	<b>2023/24 Original Estimate</b>	<b>2023/24 Revised Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Capital Expenditure	44,097	118,053	63,992	109,174	35,792
Capital Financing Requirement	355,073	366,013	353,027	355,751	346,607
Ratio of financing costs to net revenue stream	6.25%	5.83%	5.77%	5.85%	5.77%

## PRUDENTIAL INDICATORS

TREASURY MANAGEMENT INDICATORS	2022/23 Actual	2023/24 Original Estimate	2023/24 Revised Estimate	2024/25 Estimate	2025/26 Estimate
	£'000	£'000	£'000	£'000	£'000
<b>Authorised Limit for External Debt:</b> Borrowing and other long term liabilities	405,073	416,013	403,027	405,751	396,607
<b>Operational Boundary for External Debt:</b> Borrowing and other long term liabilities	385,073	396,013	383,027	385,751	376,607
<b>Gross Borrowing:</b> Total maximum long and short term	310,517	295,195	295,195	276,357	270,751
External Debt (Gross)	295,195	276,357	276,357	275,751	274,557
Less Investments	(53,600)	(52,500)	(52,500)	(52,500)	(52,500)
<b>Net Borrowing Position</b>	<b>241,595</b>	<b>223,857</b>	<b>223,857</b>	<b>223,251</b>	<b>222,057</b>

## PRUDENTIAL INDICATORS

	<b>2023/24 limit</b>
	<b>£'000</b>
Upper Limit on Fixed Interest Rate Exposure Lower Limit on Fixed Interest Rate Exposure	416,013
Upper Limit on Variable Rate Exposure Lower Limit on Variable Rate Exposure	208,007
<b>Upper Limit for Total Principal Sums Invested for Over 364 Days (per maturity date)</b>	£25m

<b>Maturity Structure of Fixed Rate Borrowing During 2023/24</b>	<b>2022/23 Actual</b>	<b>2023/24 Estimate</b>		
			<b>Upper Limit</b>	<b>Lower Limit</b>
	%	%	%	%
Under 12 months	7	2	15	0
12 months to 2 years	2	1	15	0
2 to 5 years	1	0	40	0
5 to 10 years	8	8	60	0
10 years and above	82	89	100	15

Specified Investments Criteria

	<b>Minimum 'High' Credit Criteria</b>	<b>Funds Managed</b>	<b>Max Amount</b>	<b>Max Duration</b>
<b>Term deposits</b>				
Term deposits - Debt Management Office	N/A	In-house	Unlimited	1 year
Term deposits – local, police and fire authorities	N/A	In-house	£10m	1 year
Term deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F1+, F1	In-house	£20m	1 year
Term deposits – UK banks/Building Societies	Fitch short-term rating F1+	In-house	£20m	1 year
Term deposits – UK banks/Building Societies	Fitch short-term rating F1	In-house	£15m	6 months or 185 days
<b>Callable deposits</b>				
Callable deposits – Debt Management Agency deposit facility	N/A	In-house	Unlimited	
Callable deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F1+, F1	In-house	£20m	
Callable deposits – Nationalised & Part Nationalised UK banks/Building Societies	Fitch short-term rating F2	In-house	£10m	
Callable deposits - UK banks/Building Societies	Fitch short-term rating F1+ or F1	In-house	£15m *	
Term deposits – non UK banks	Fitch short-term rating F1+	In-house	£5m	6 months or 185 days

\* Where necessary this limit may be temporarily exceeded with the Authority's bankers only.



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

13 December 2023

Report of  
Head of People and Organisational Development  
Sheenagh Rees

#### Matter for Monitoring

**Wards Affected:** All Wards

#### Report Title:

1. Quarter 2 (1<sup>st</sup> April 2023 – 30<sup>th</sup> September 2023) Corporate Level Measures and Strategy and Corporate Services Directorate Service Measures 2023/24

#### Purpose of the Report:

2. For Cabinet to receive quarter 2 2023/24 service performance information and compliments and complaints data within Cabinet's purview (Appendix 2 & 3). In addition to receive quarter 2 2023/24 information in relation to a set of Corporate Level Measures (Appendix 1).

#### Executive Summary:

3. Summary performance information is drawn out for Members below relating to information within Appendix 1, 2 & 3 with more detailed information available within each Appendix.
4. The Corporate Level Measures are a set of cross cutting indicators providing Council level detail.

5. The following information provides a high level summary of the performance detailed within each appendix:

### **Appendix 1 – Corporate Measures - Quarter 2 - 2023/2024**

6. 13 of 20 measures are reported as information with four measures are achieving target or improving (if no target), two measures reporting as within 5% of the target and one measure 5% or more off track.
7. The four measures achieving target or improving (if no target) are further increases in council apprenticeships, zero Welsh Commissioner complaints, increase in online payments and there were no successful judicial reviews or challenges to decision making by the council in this period.
8. The two measures showing as Amber are invoices paid within 30 days and employee sickness rates which have increased slightly.
9. The one measure reporting as more than 5% off track relates to the number of data breaches, although the increase is small (increase of 2 breaches) compared to the previous year. All data breaches in this period except one are considered low level breaches. One data breach was considered by the Council's Data Breach Panel and has been notified to the Information Commissioner's Office for their consideration.
10. The 13 measures provided for information only are website visits, employee Welsh language measures and employee turnover measures.

### **Appendix 2 – Strategy and Corporate Services Directorate Service Measures - Quarter 2 - 2023/2024**

11. 19 measures reported in the period. Nine are improving or on target, two are 'just off' track, six measures are 5% or more off track and two measures are not suitable for comparison.
- The nine measures achieving target or improving (if no target) are:

- CCTV operational at any time;
  - Standard searches within timescales and licensing act applications within timescales measures;
  - Council Tax recovery rates;
  - All four Digital Services measures;
  - Internal Audit reports issued within timescales.
12. The two measures showing as Amber that are marginally lower than the target relate to accuracy of benefits payments and police disk requests completed within 24 hours, both measures are close to 100%.
13. The six measures 5% or more below target or previous year's performance are the two customer services measures relating to average time to answer telephone calls, average days to complete benefit claims, NNDR recovery rates (which is expected to achieve normal recovery rate by year end), the percentage of the internal audit plan completed and the percentage of employees who have received mandatory group A safeguarding training, although over 1,200 employees have this received training since April this year.

### **Appendix 3 Strategy and Corporate Services Directorate Service Compliments and Complaints - Quarter 2 - 2023/24**

14. **Stage 1 complaints** - There has been a small increase of three Stage 1 complaints received in the quarter 2 2023/24 period compared to this same period last year. All sixteen stage 1 complaints were closed in the period, of which 3 (18.8%) were upheld. In quarter 2 last year (2022/23), one of 12 (8.3%) of complaints that were closed were upheld.
15. **Stage 2 complaints** – One Stage 2 complaint was received in this quarter 2 period of 2023/24, two were received in the same six months period last year.

Two stage two complaints have been closed in this six month quarter 2 period of 2023/24 (one of these carried forward from 2022/23 and closed in quarter 1 2023/24), both were not upheld.

16. No ombudsman complaints have been received following a stage 1 and stage 2 for the previous 3 years.
17. There has been an increase in compliments. 62 compliments were received in the quarter 2 2023/24 period compared to 52 in quarter 2 2022/23. Detail on the nature of the compliments is included in measure number 6 in appendix 3.

**Background:**

18. Where possible, each measure will show a link how it contributes to at least one of the council's well-being objectives. Some measures will link directly to the Governance and Resource theme.
19. Where available, the appendices provide quarterly performance cumulative data for all four quarters for 2021/22 and 2022/23 and quarters 1 and 2 performance for 2023/24.
20. A small number of measures (4) are reported annually and will be included within quarter 4 2023/24 report.

**Financial Impacts:**

21. There are no financial implications arising from this report.

**Integrated Impact Assessment:**

22. There is no requirement to undertake an Integrated Impact Assessment as this report is for monitoring purposes.

**Valleys Communities Impacts:**

23. No implications.



### **Workforce Impacts:**

24. The progress described in this report was achieved whilst the workforce continued to respond to and continue to recover from the impacts of the pandemic.

### **Legal Impacts:**

25. This Report is prepared under:

- The Well-being of Future Generations (Wales) Act 2015.
- The Local Government & Elections (Wales) Act 2021
- The Neath Port Talbot County Borough Council Constitution requires each Cabinet Committee to monitor quarterly budgets and performance in securing continuous improvement of all the functions within its purview.

### **Risk Management Impacts:**

26. Failure to provide a suitable monitoring report within the timescales could lead to non-compliance with our Constitution. Also, failure to have robust performance monitoring arrangements in place could result in poor performance going undetected.

### **Consultation:**

27. There is no requirement for external consultation on this item.

### **Recommendations:**

28. For Members to monitor performance contained within this report.

### **Reasons for Proposed Decision:**

29. Matter for monitoring. No decision required.

### **Implementation of Decision:**

30. Matter for monitoring. No decision required.

### **Appendices:**

- 31. Appendix 1 – Quarter 2 - Corporate Measures - 2023/2024, period: 1<sup>st</sup> April 2023 – 30<sup>th</sup> September 2023.
- 32. Appendix 2 – Quarter 2 – Strategy and Corporate Services Directorate Service Measures - 2023/2024, period: 1<sup>st</sup> April 2023 – 30<sup>th</sup> September 2023.
- 33. Appendix 3 – Quarter 2 – Strategy and Corporate Services Directorate Compliments and Complaints information 2023/2024, period: 1<sup>st</sup> April 2023 – 30<sup>th</sup> September 2023.

### **List of Background Papers:**

- 34. [Corporate Plan Strategic Change Programme 2023-2024](#)

### **Officer Contact:**

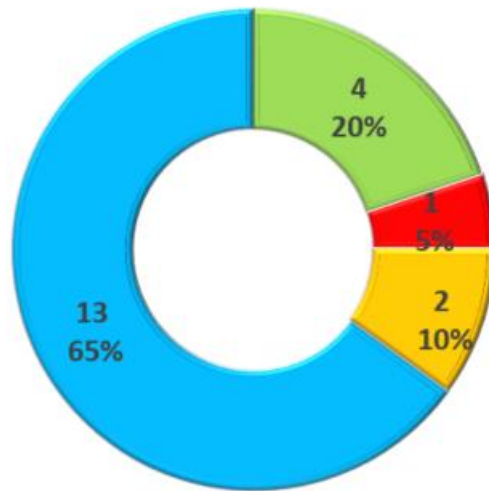
- 35. Sheenagh Rees, Head of People and Organisational Development. Tel: 01639 763315 or e-mail: [s.rees5@npt.gov.uk](mailto:s.rees5@npt.gov.uk)
- 36. Caryn Furlow-Harris, Strategic Manager - Policy & Executive Support. Tel: 01639 763242 or e-mail: [c.furlow@npt.gov.uk](mailto:c.furlow@npt.gov.uk)
- 37. Shaun Davies, Corporate Performance Management Officer. Telephone: 01639 763172. E-Mail: [a.s.davies@npt.gov.uk](mailto:a.s.davies@npt.gov.uk)



## Performance Measures

Appendix 1 - Cabinet – Corporate Level Measures -  
Quarter 2 (1st April - 30th September) - 2023/24

### Performance Measures Summary



Performance Key BRAG (Blue, Red, Amber, Green)

Not suitable  
for  
comparison

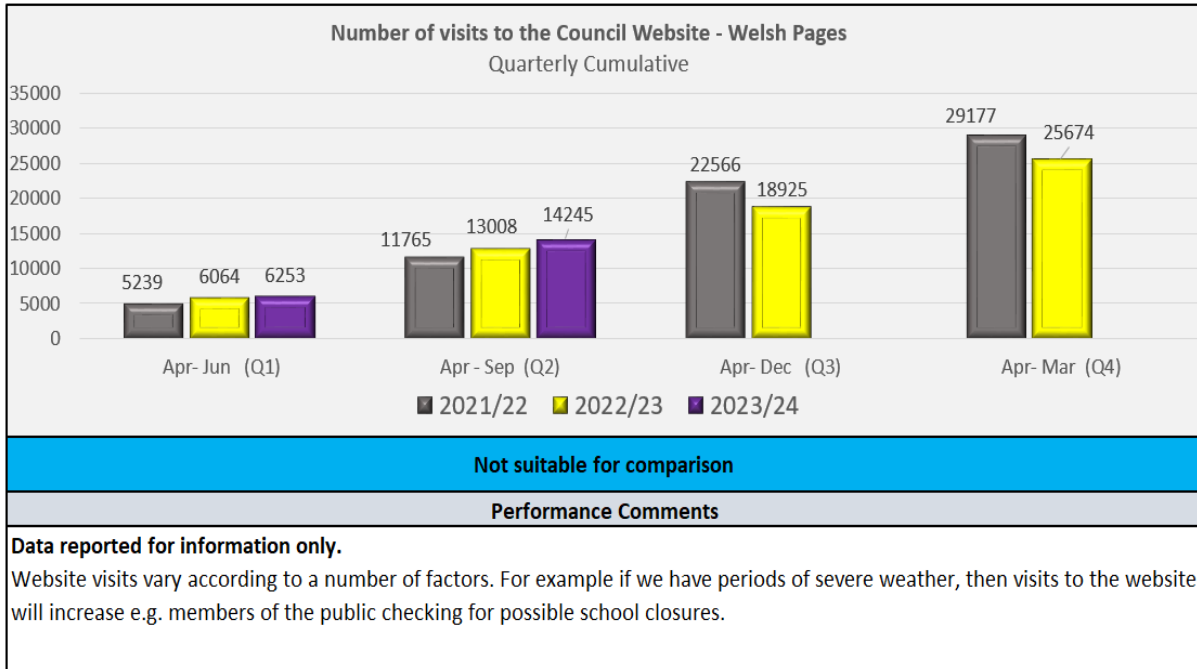
5% or more  
below target  
or previous  
years  
performance

Within 5% of  
target or  
previous  
years  
performance

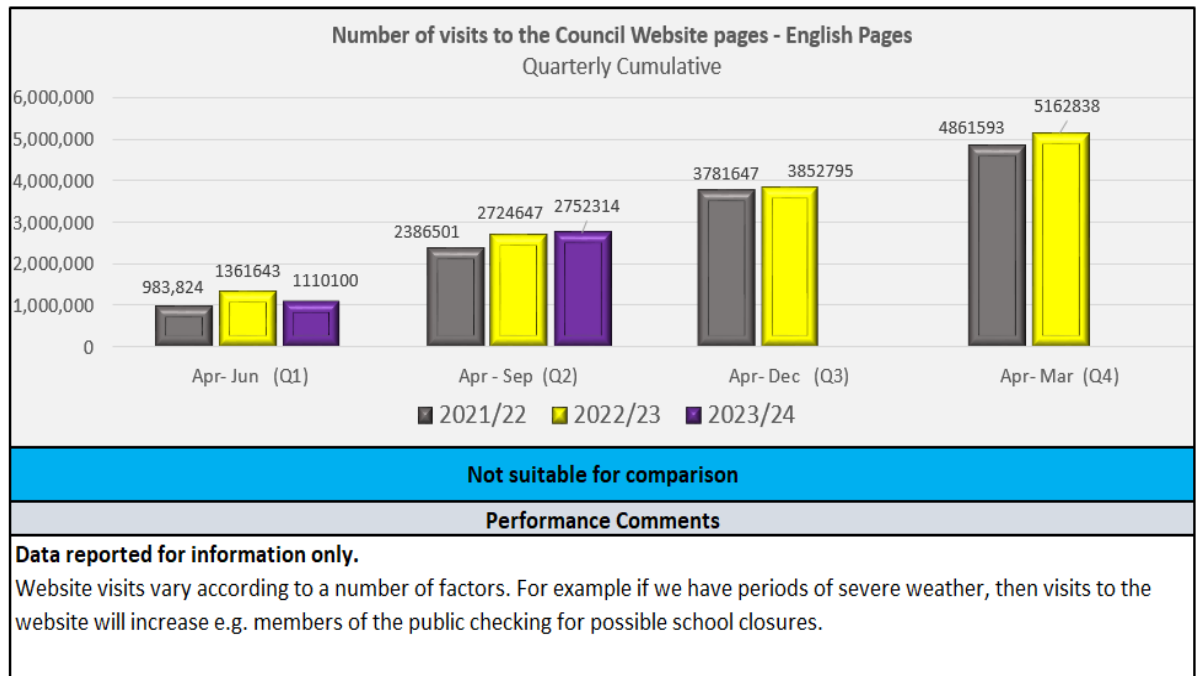
On target /  
Achieved  
direction of  
travel

**Well Being Objective 2 - All communities are thriving and sustainable**

1.

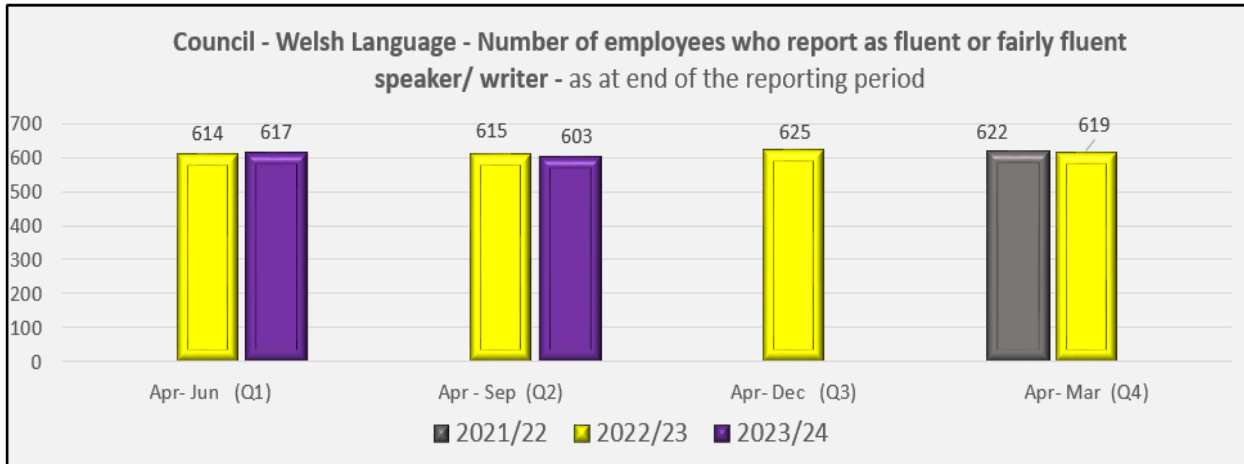


2.



**Well Being Objective 3** - Our local environment, culture and heritage can be enjoyed by future generations

3.



**Not suitable for comparison**

**Performance Comments**

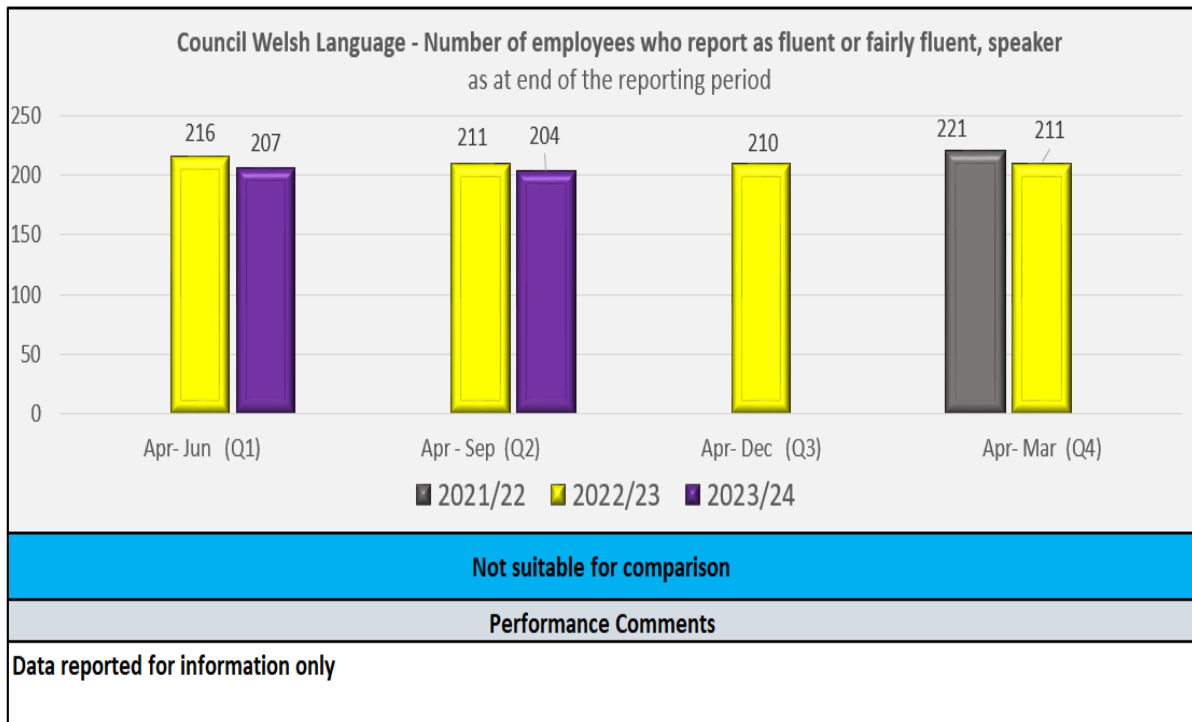
The Welsh Language Officers’ Group continues to support the implementation of the Welsh Language Standards, review compliance of the Standards and promote and raise the profile of the Welsh language. As part of the action plan, the group continues to work to enhance the number of Welsh speaking employees through a number of initiatives.

Examples include the creation of two Yammer groups - one to enable Welsh speakers to chat and provide peer support and another for all employees to access information, help and support as well as promotional material; publicising Welsh Language Rights Day; availability of language courses along with help and support for learners and those looking to increase confidence in using their language skills. Further information can be found in the Welsh Language Standards Annual Report 2022-2023 which is published on our website <https://www.npt.gov.uk/30360>

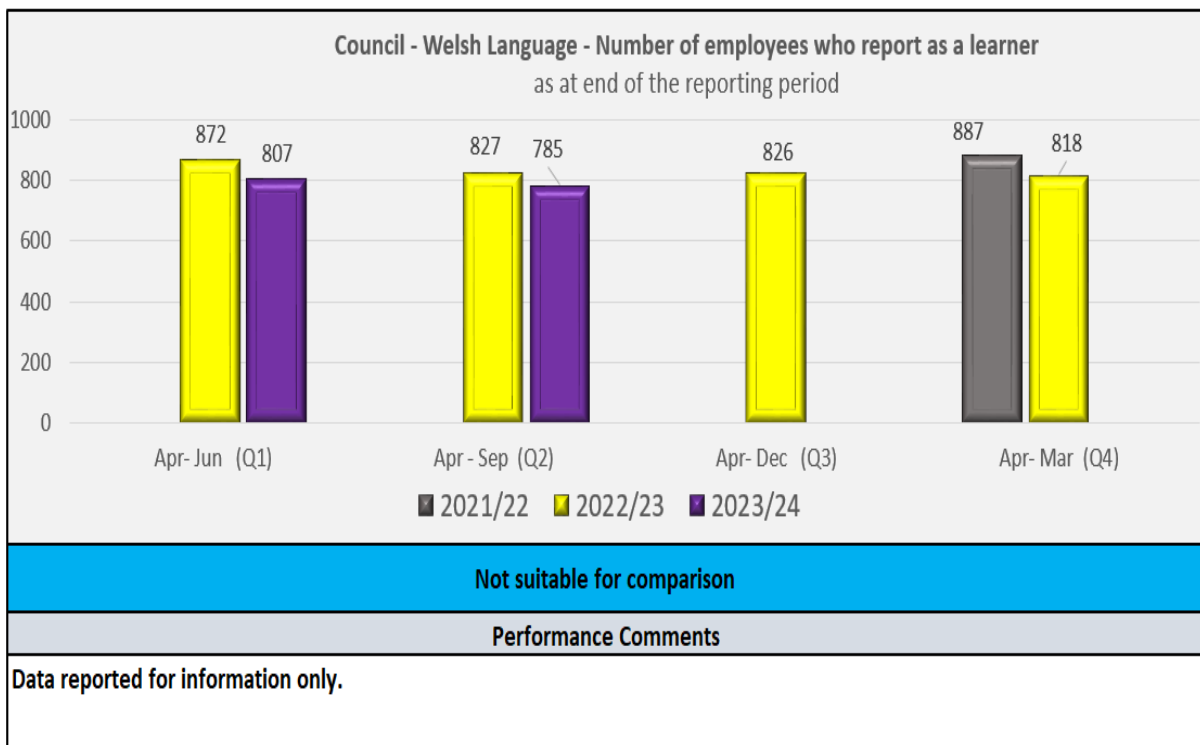
The Welsh Language Promotion Strategy has been revised during 2022/2023 with the aim to ensure that the Welsh language is visible in our communities and used by an increased number of people in their daily lives. To realise this the strategy focusses on three themes: to increase the numbers of Welsh speakers, to increase the use of Welsh and to create a favourable environment for these to happen. Working in partnership with our local Fforwm Iaith and local communities opportunities to learn, improve and use the language will be promoted to all in Neath Pot Talbot, particularly staff. The Strategy was adopted by Council on 12 July and is published on our website <https://www.npt.gov.uk/30359>

**This performance comment covers the other Welsh Language measures below. This data is reported as information only and quarterly from 2022/23.**

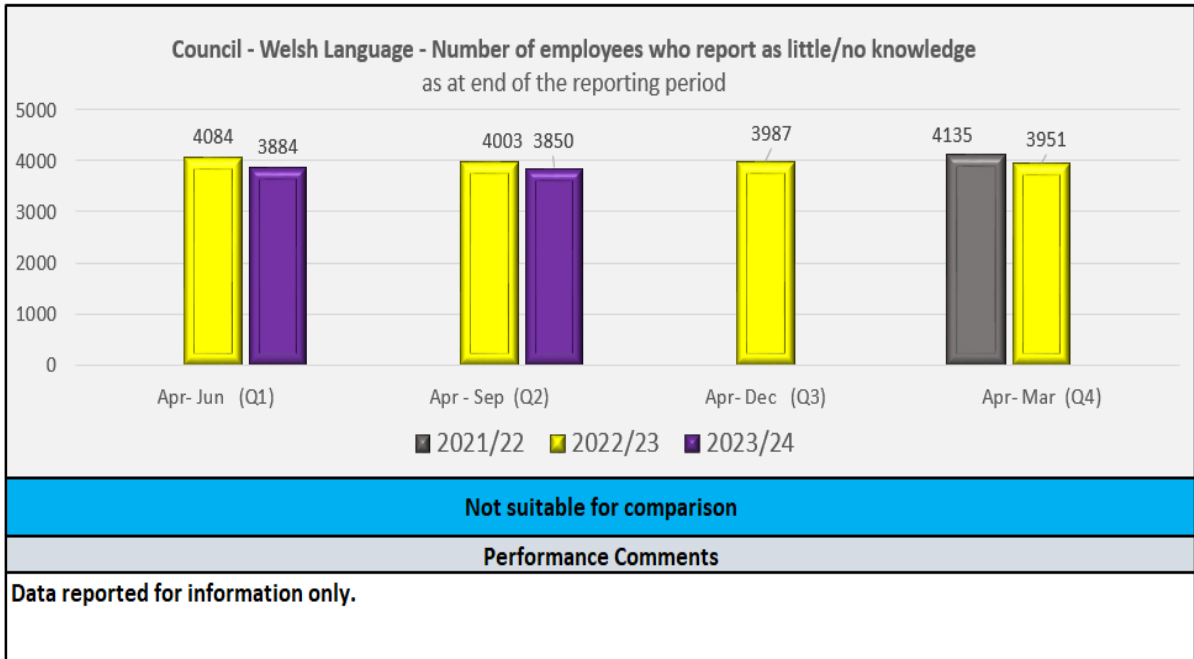
4.



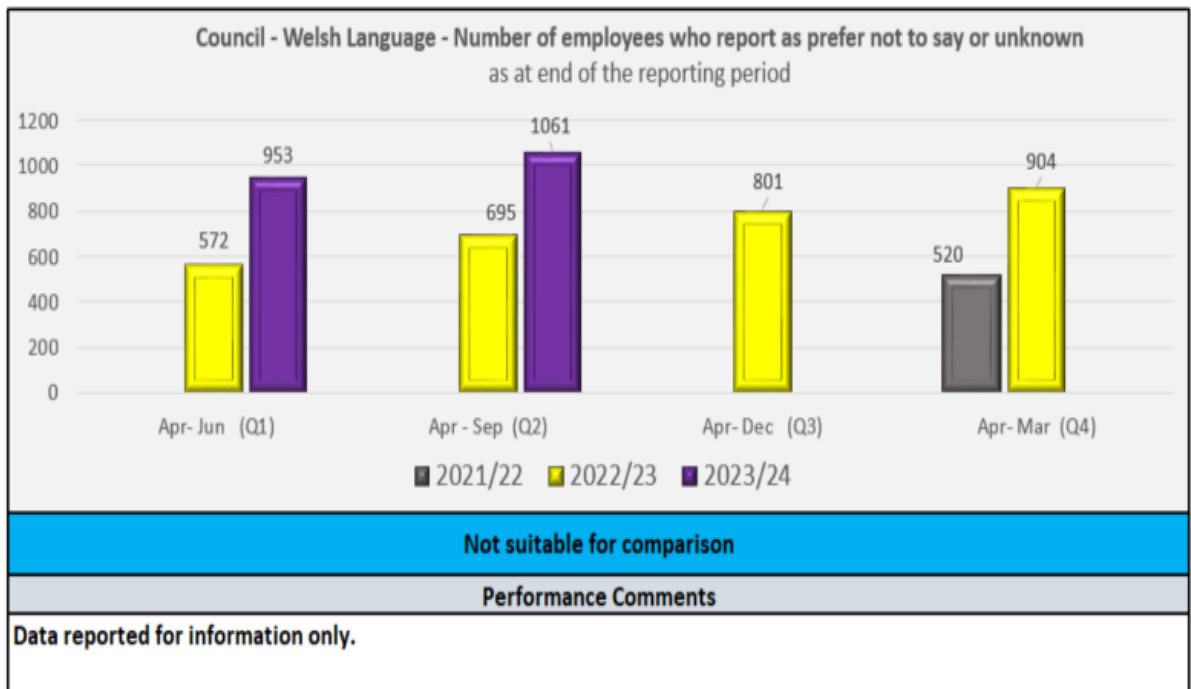
5.



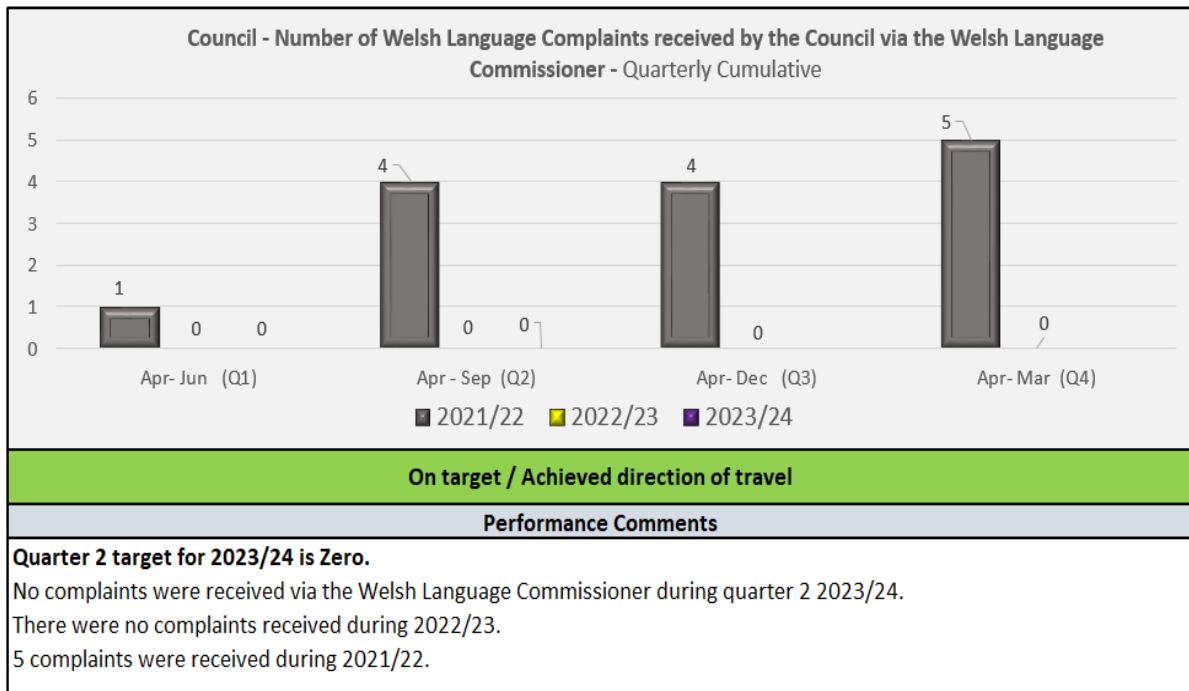
6.



7.

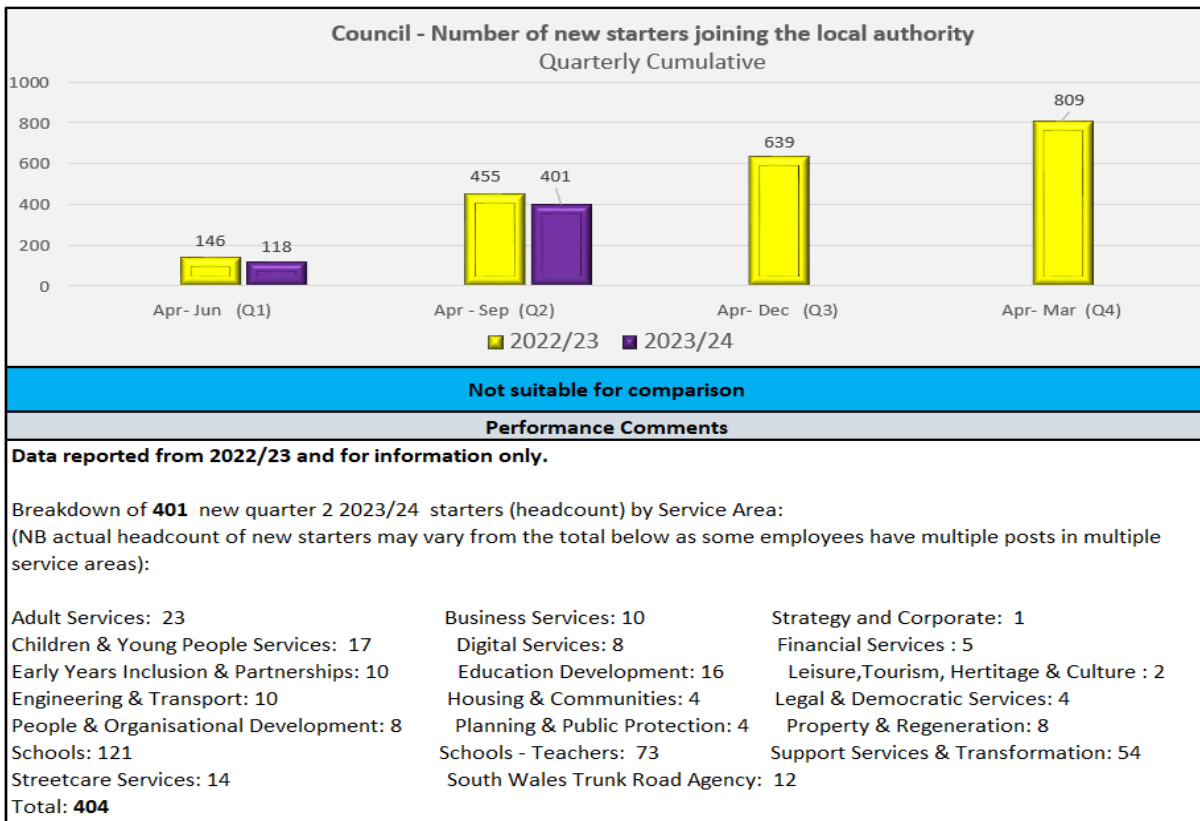


8.



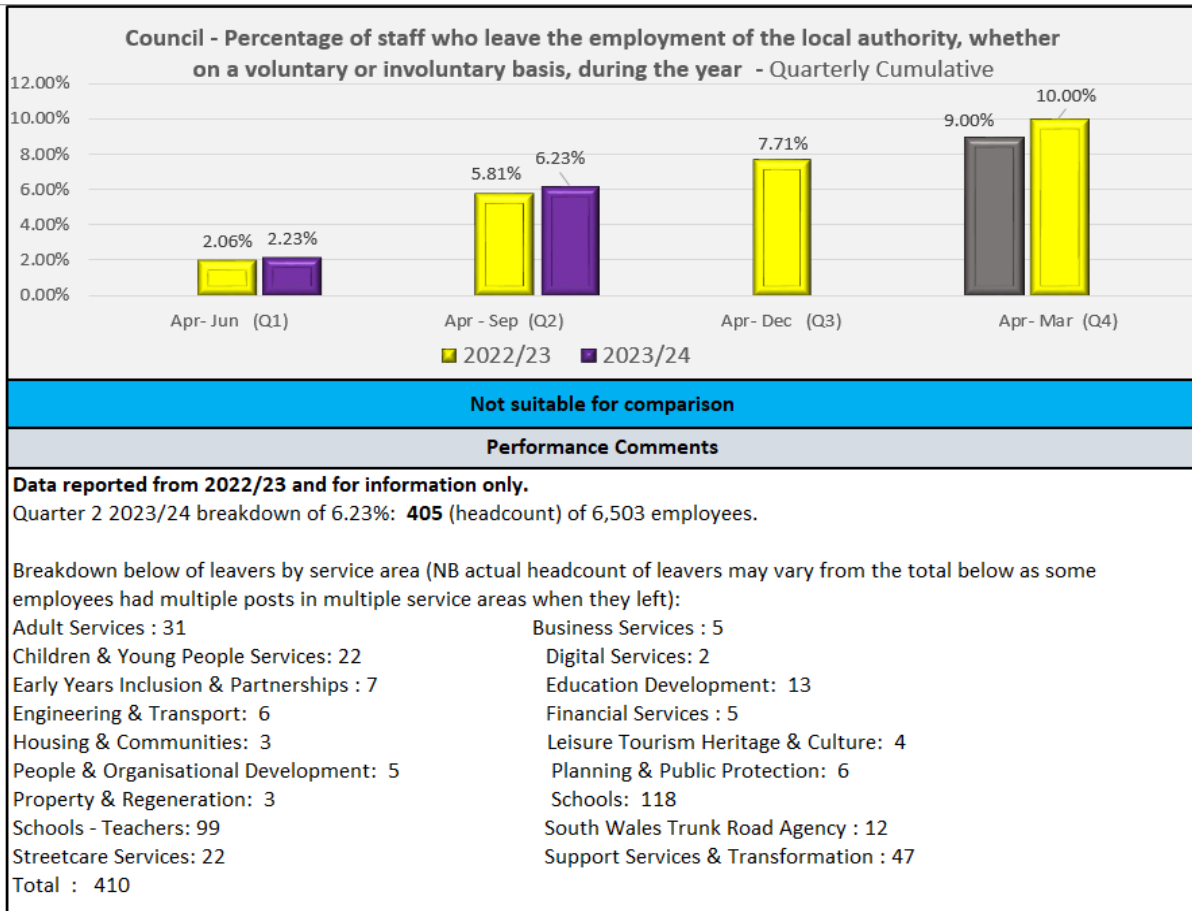
**Well Being Objective 4 - Jobs and Skills**

9.

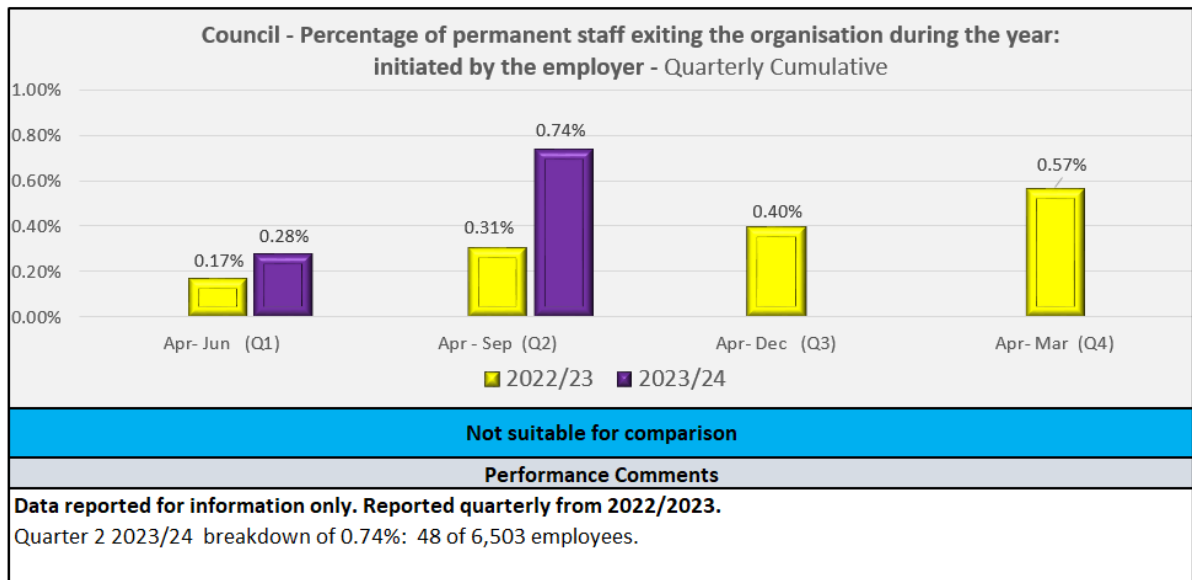




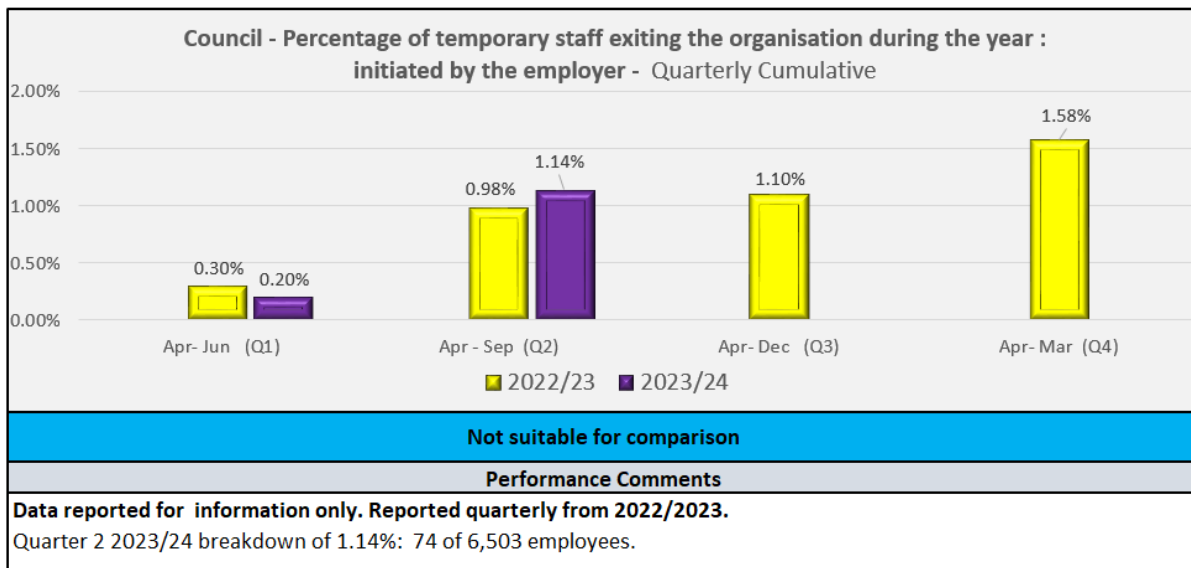
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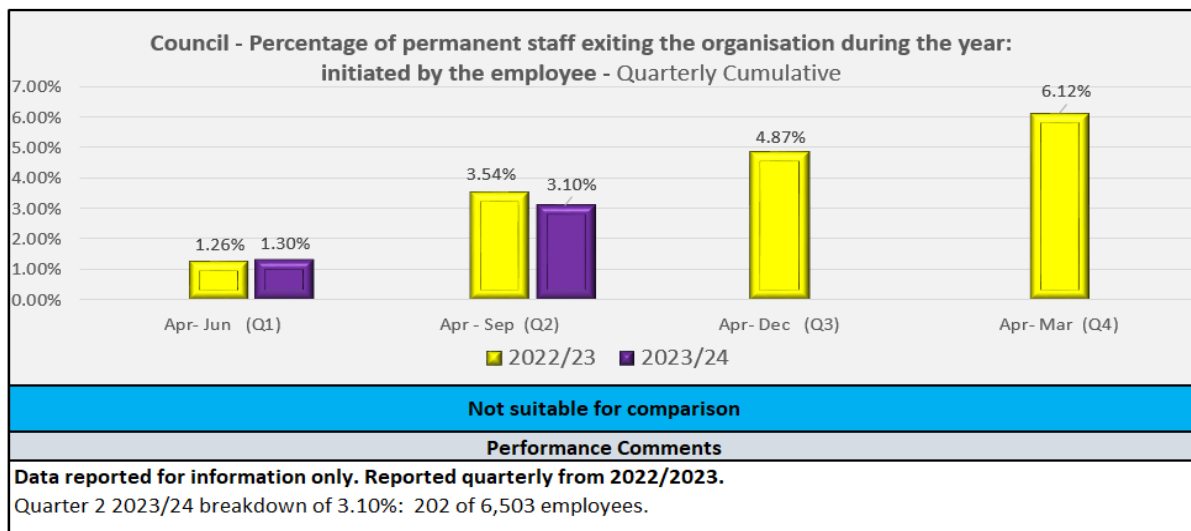
11.



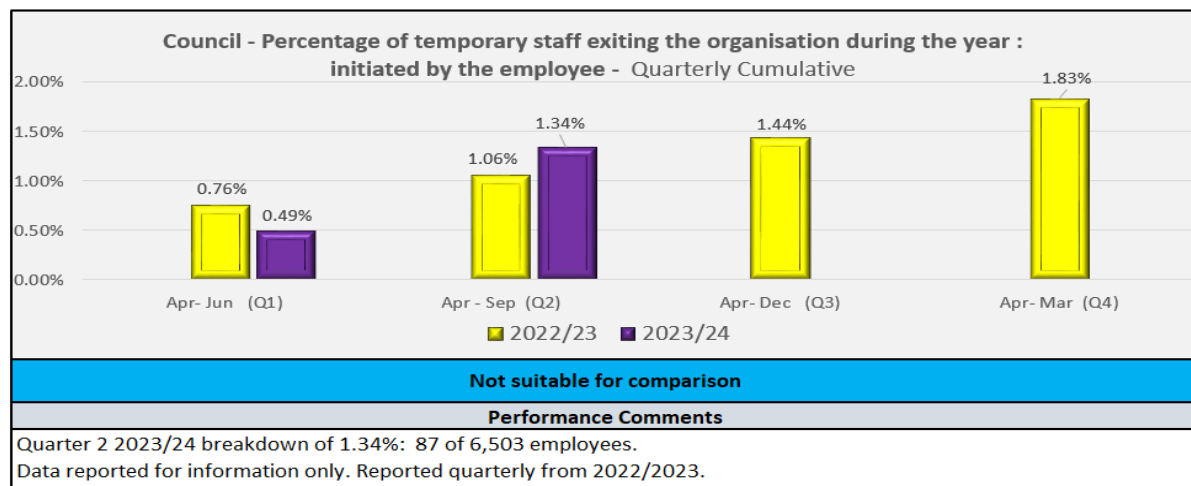
12.



13.



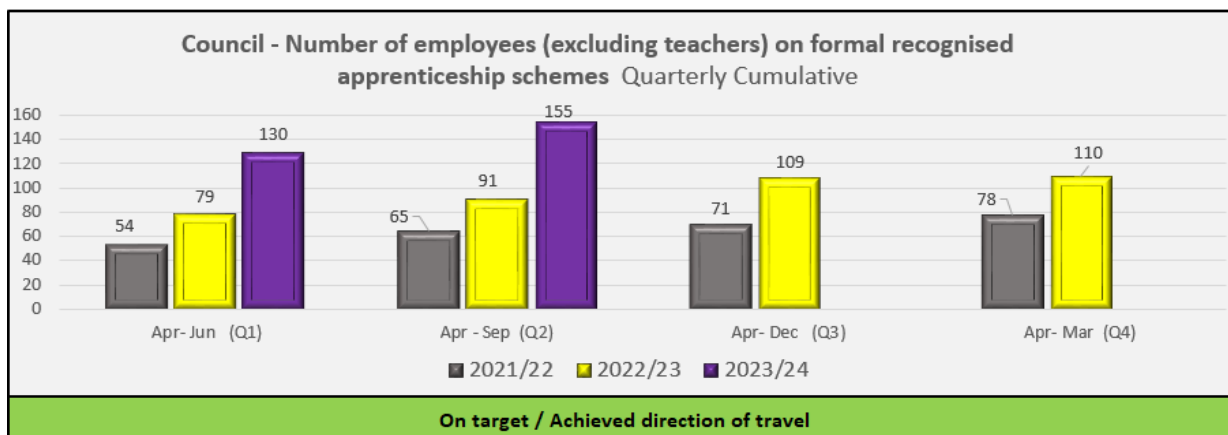
14.



15.

**Governance and Resource (cross-cutting)**

Including Planning & Performance, Workforce Management, Financial Resources, Democracy, Community Relations, Asset Management and Commissioning & Procurement.



**Performance Comments**

**Target for 2023/24 is to increase the number of apprenticeships. This is a Corporate Plan measure.**

There are currently 155 employees on apprenticeship schemes during quarter 2 2023/24. This has increased compared to quarter 2 2022/23 figure of 91.

Since April 23 – September 23 (Q1+Q2) we have had 45 new starts of which 10 are Apprentices Posts and 35 are internal staff upskilling breakdown:

**Apprentices Breakdown**

- 1 x Business Administration Level 2 – Chief Executive
- 1 x Level 3 Site Carpentry – Environment
- 2 x Supporting and Teaching in Schools – Education
- 5 x Construction
- 4 x SWTRA
- 1 x Environment
- 1 x Level 3 Site Plumbing – Environment

**Staff Upskilling**

- 1 x Level 4 Business Admin – Environment
- 1 x Level 4 HNC Site Supervision – Environment
- 2 x Level 4 Project Management – 1 in Social Services Health and Housing 1 in Digital Services
- 9 x Level 4 Management – 1 in Environment 1 in Education 7 in Digital Services
- 11 x Level 5 Management – 1 in SWTRA, 1 in Education, 2 in Chief Executive, 6 in Environment, 1 in Social Service Health and Housing
- 2 x Level 3 Digital Learner Practitioner – Education
- 3 x Level 4 Advice and Guidance - Social Services Health and Housing
- 3 x Level 3 Supporting Teaching and Learning in Schools – Education
- 1 x Level 4 HNC Construction and the Built Environment - Environment
- 2 x Level 3 Management – Education

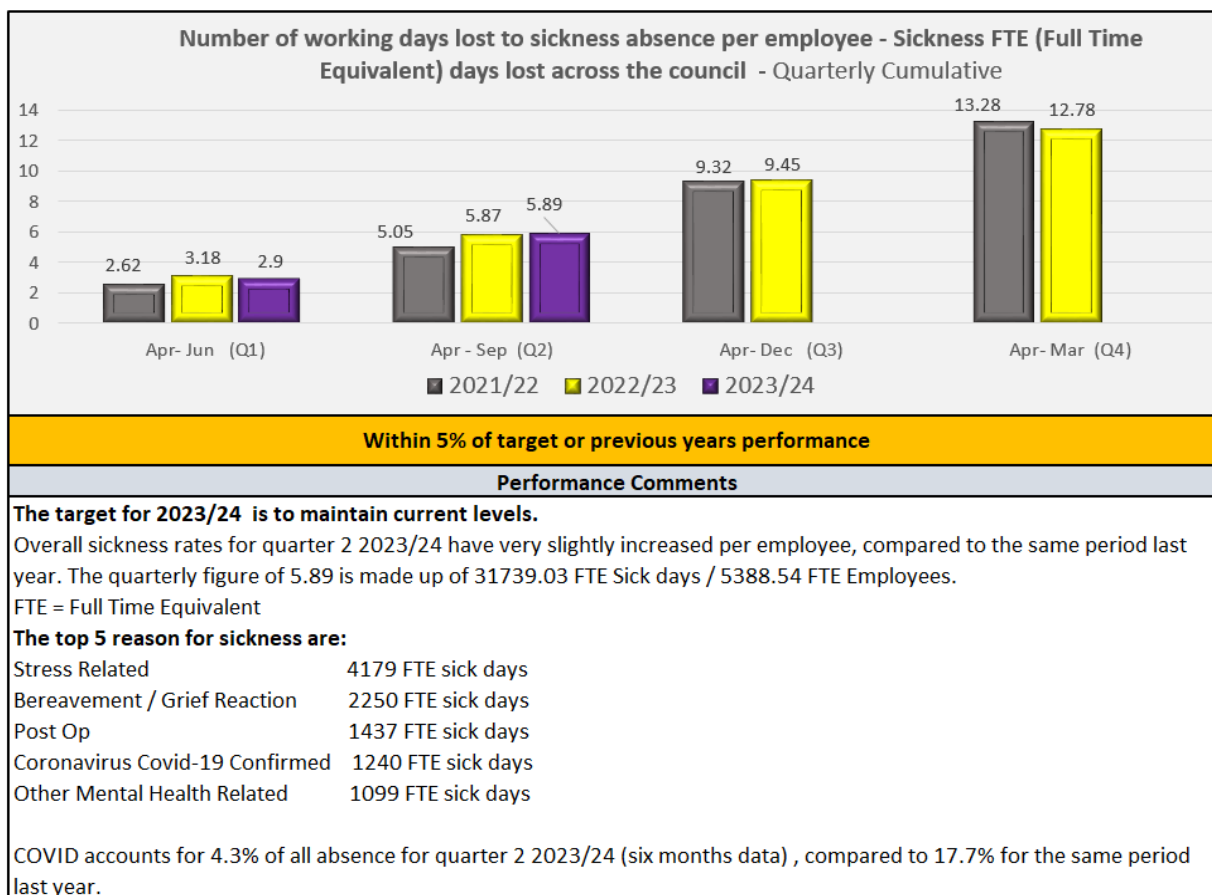
**ACHIEVERS**

- Total of 3 Achievers
- 1 x Level 4 Management – Environment
- 1 x Level 5 Management - Chief Executives
- 1 x Level 3 Vehicle and Maintenance Repair – Environment

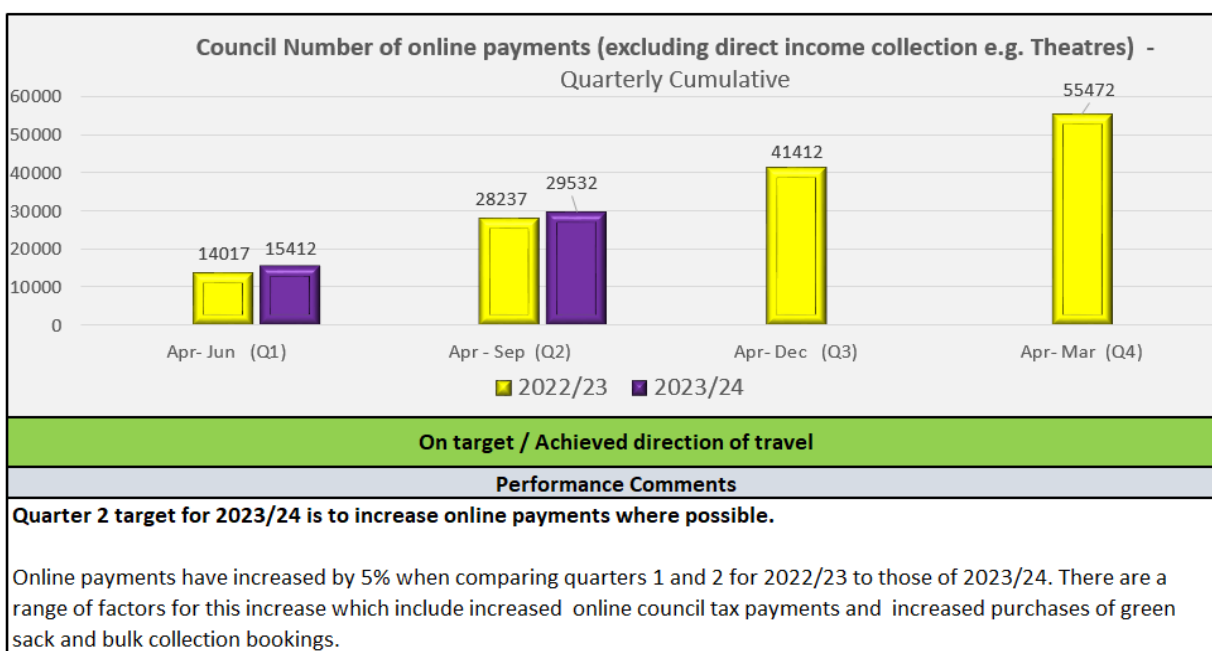
**Total of Withdrawals**

- 2 x Withdrawn Level 4 Management – Environment
- 1 x Withdrawn Level 5 Management – Environment

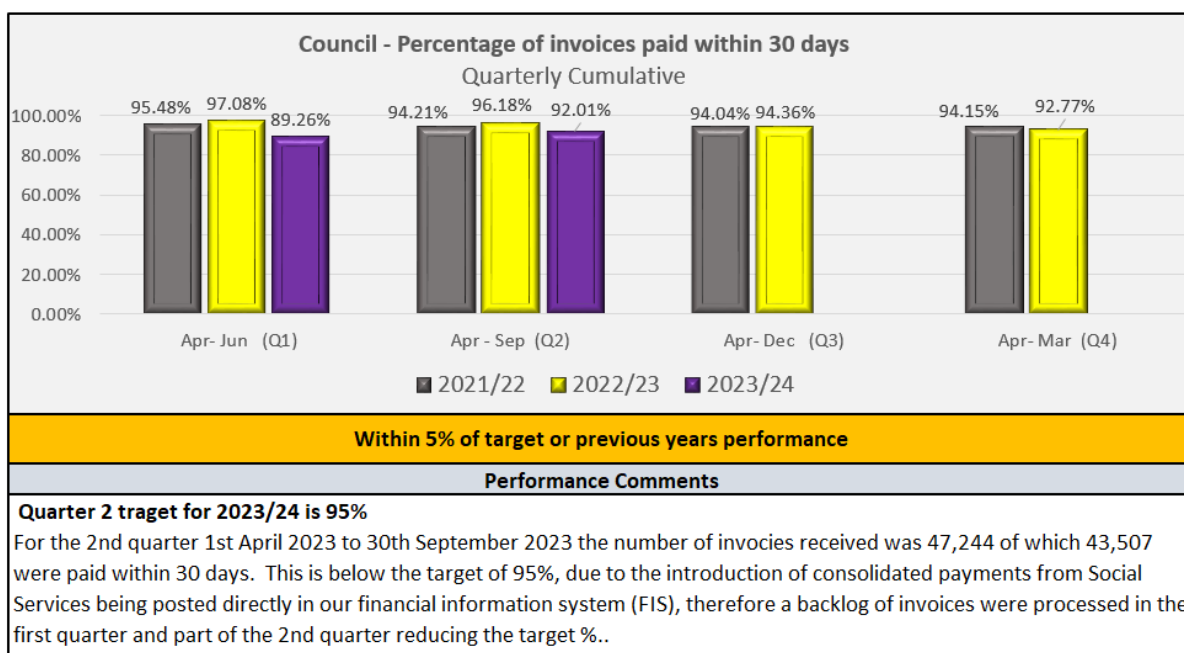
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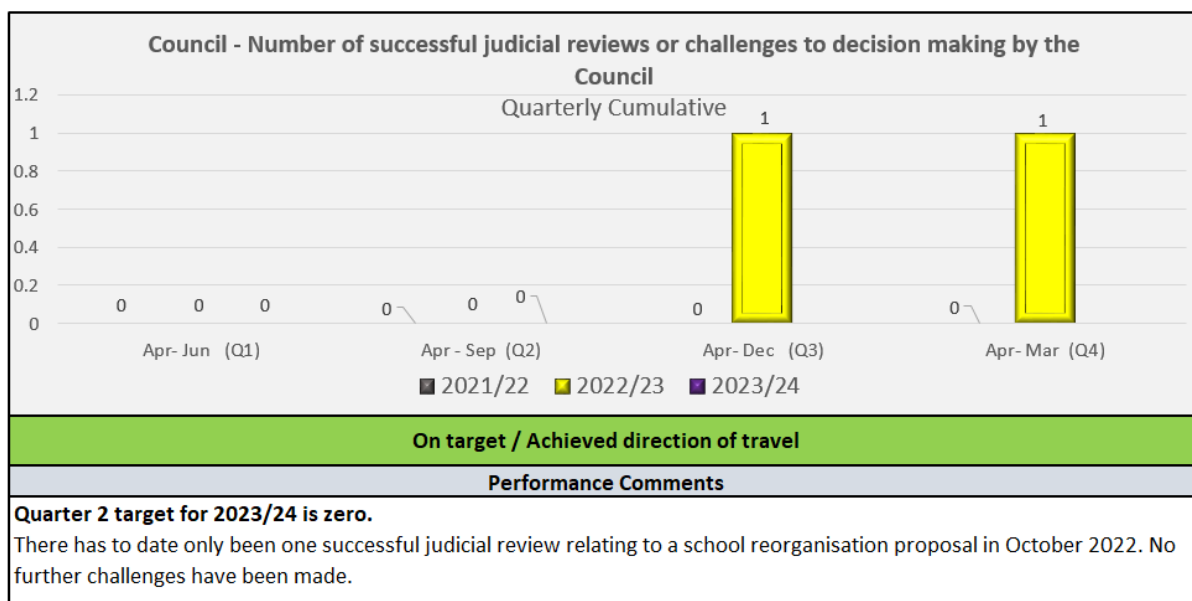
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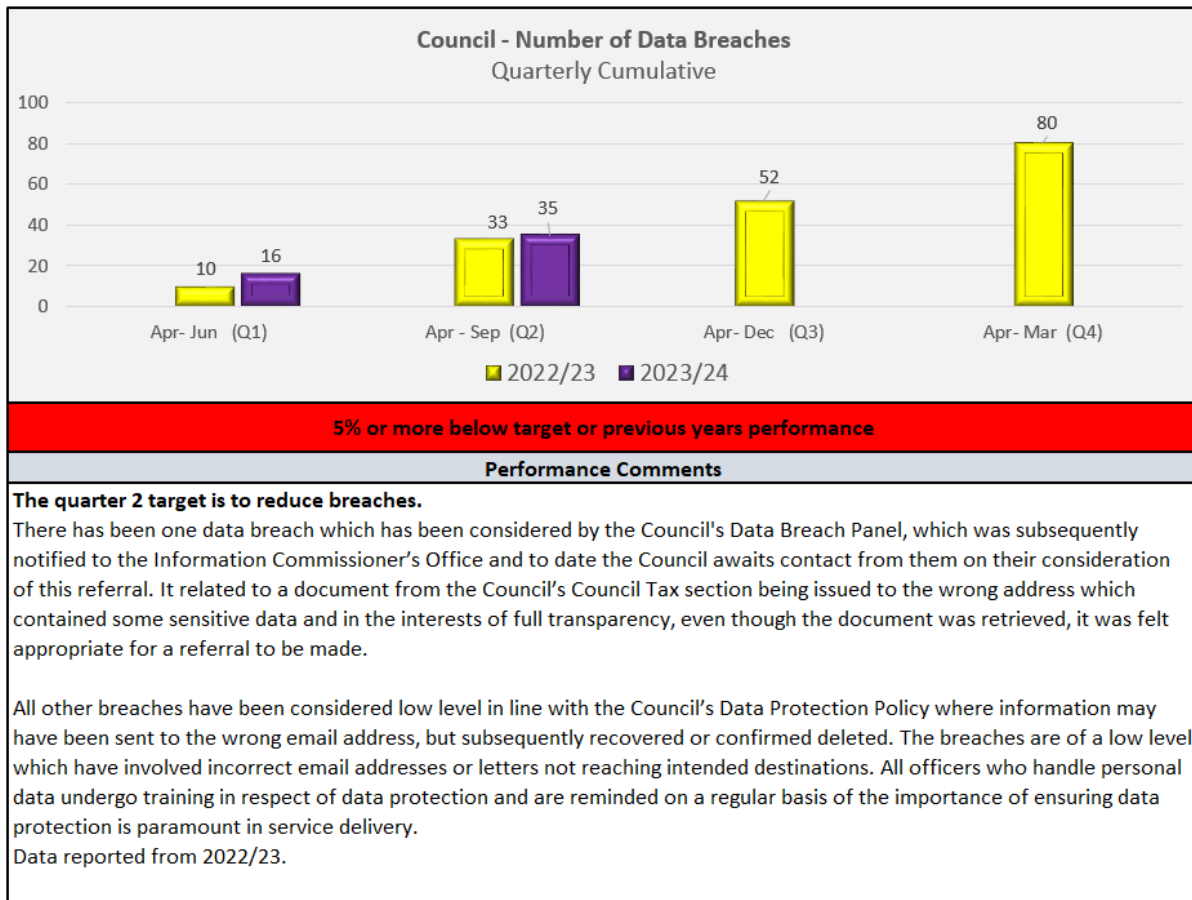
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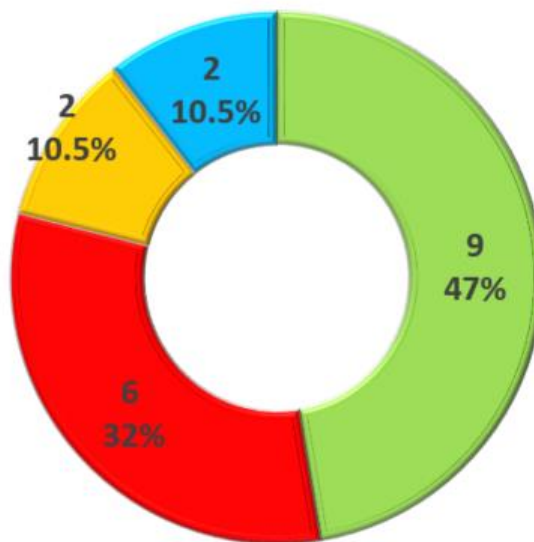
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Appendix 2 - Cabinet – Strategy & Corporate Services  
Directorate Service Level Measures  
Quarter 2 (1st April - 30th September) - 2023/24

Performance Measures Summary

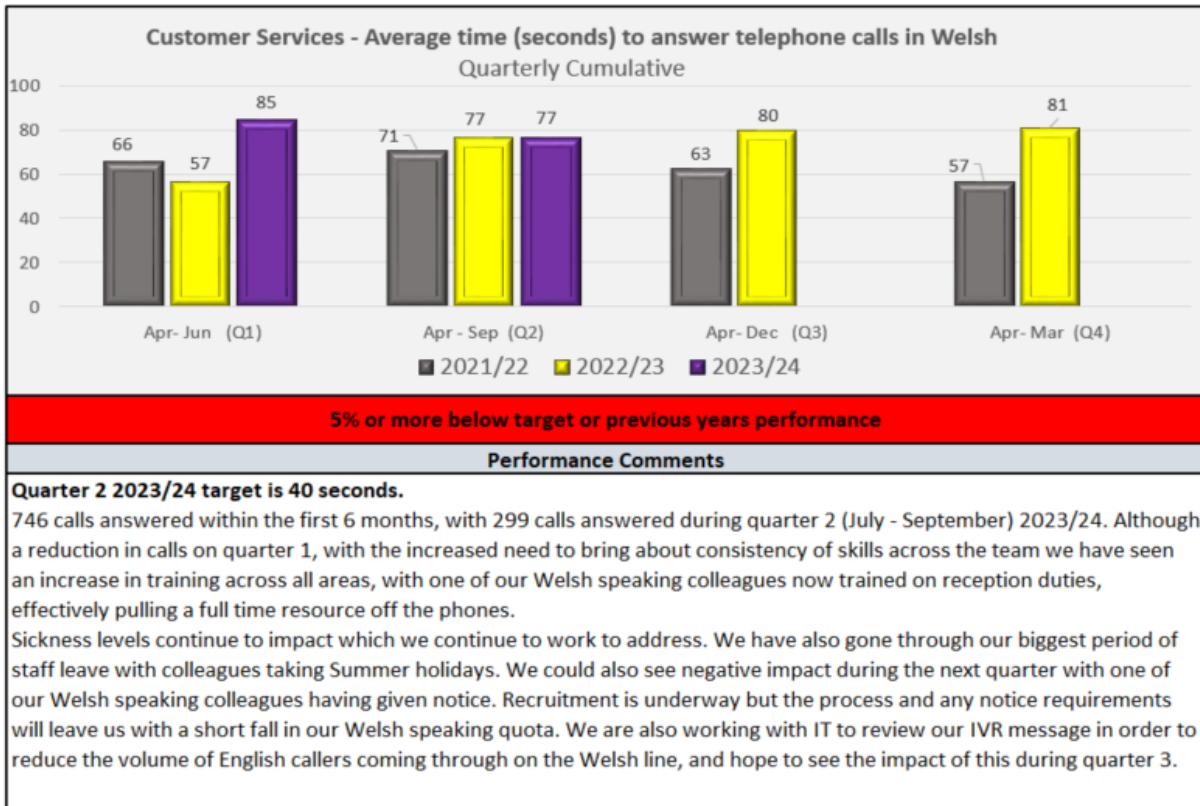


Performance Key BRAG (Blue, Red, Amber, Green)

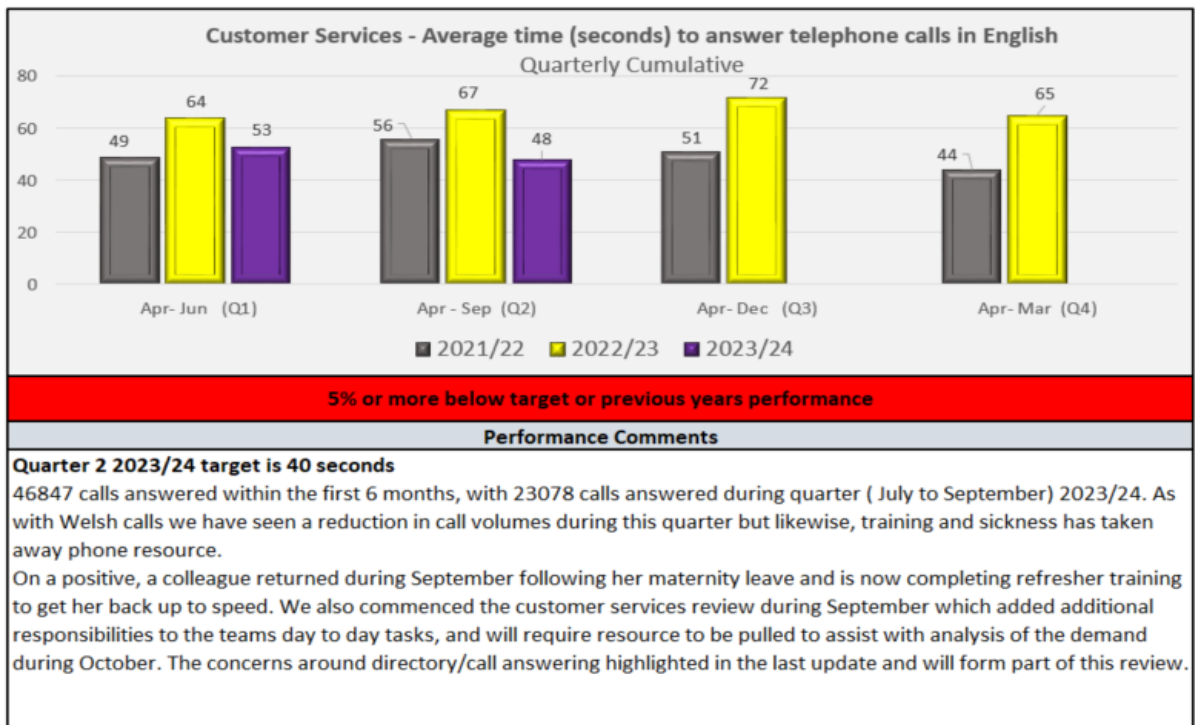


**Well Being Objective 2 - All communities are thriving and sustainable**

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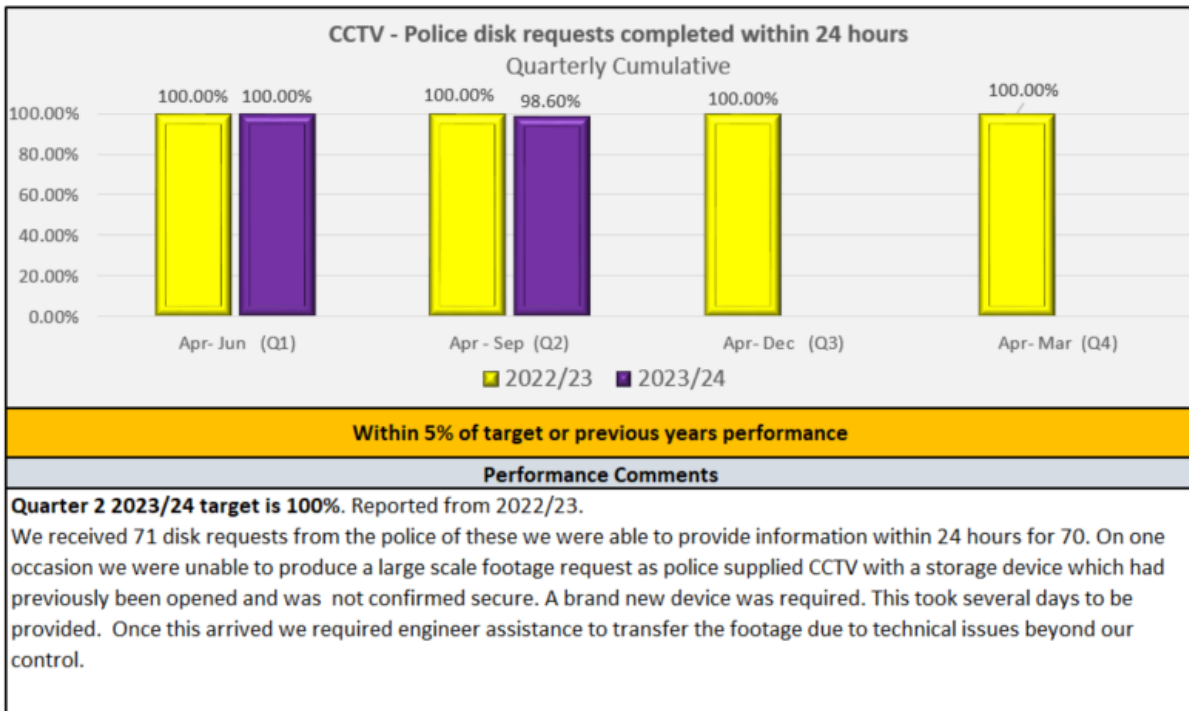


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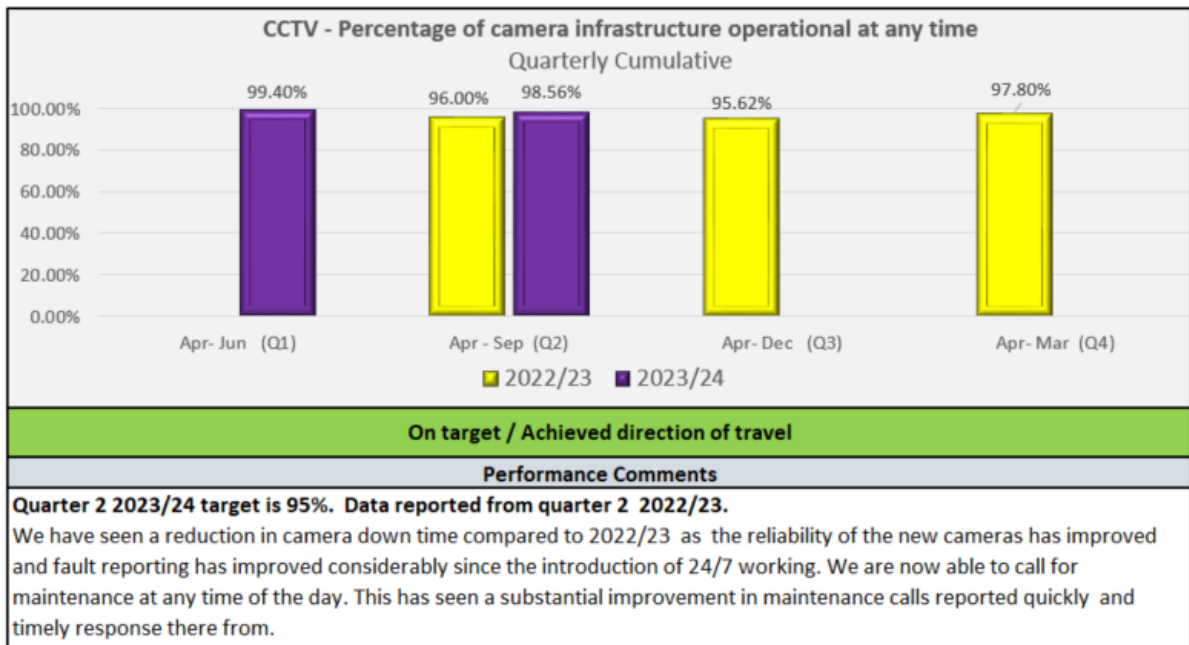




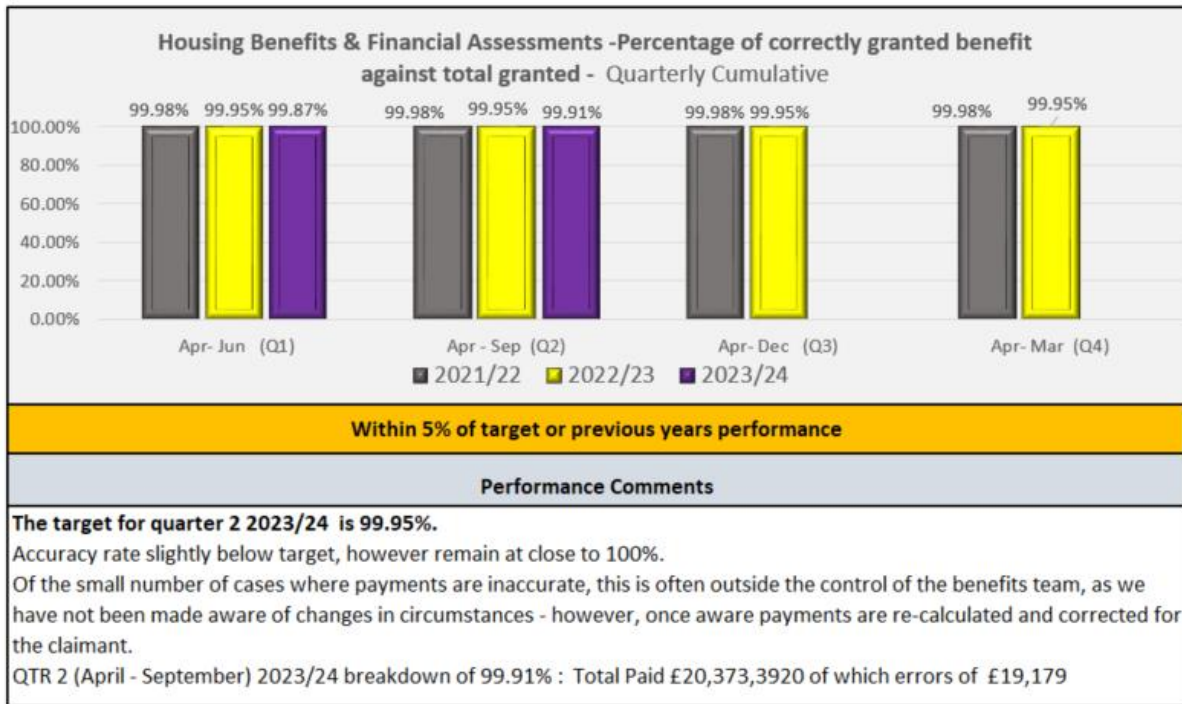
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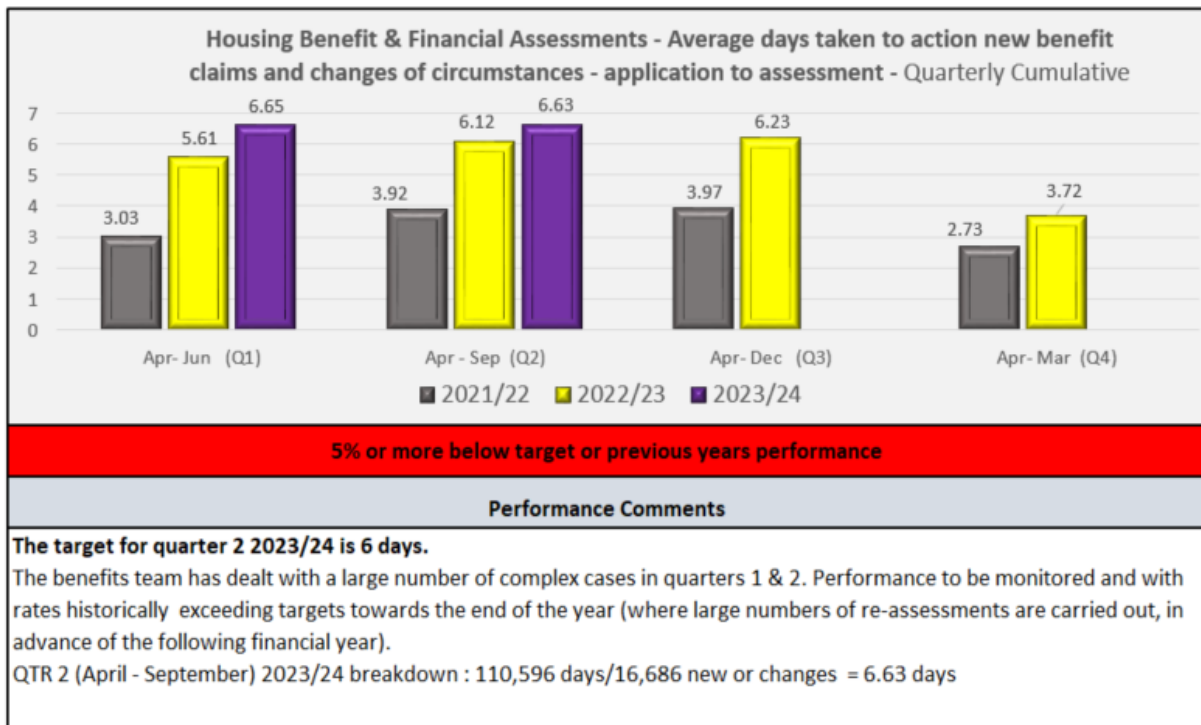
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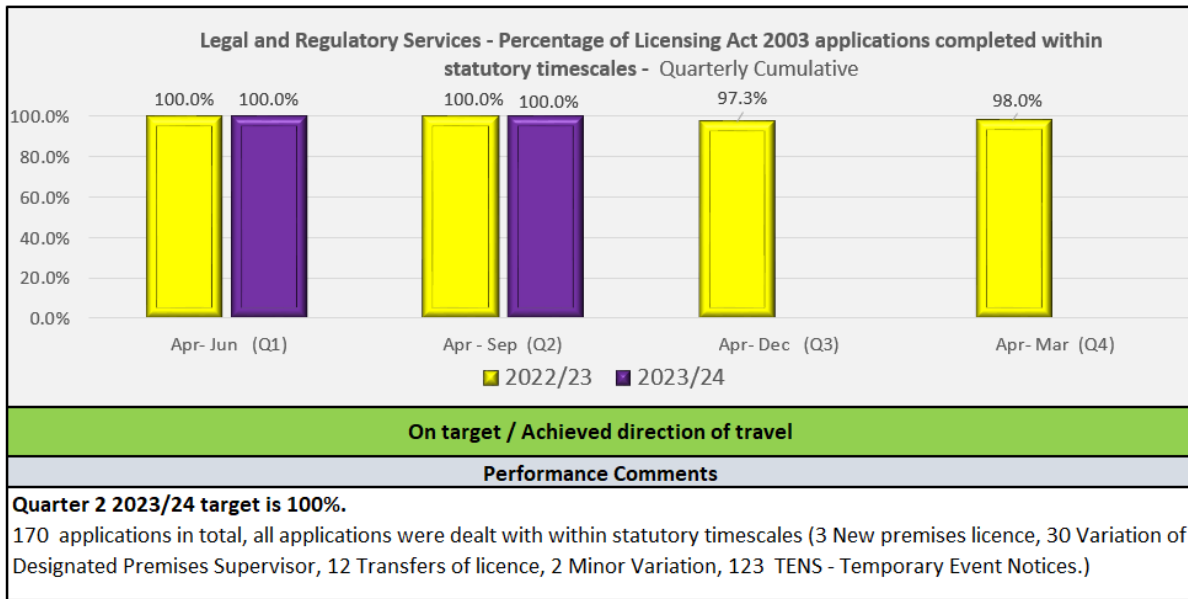
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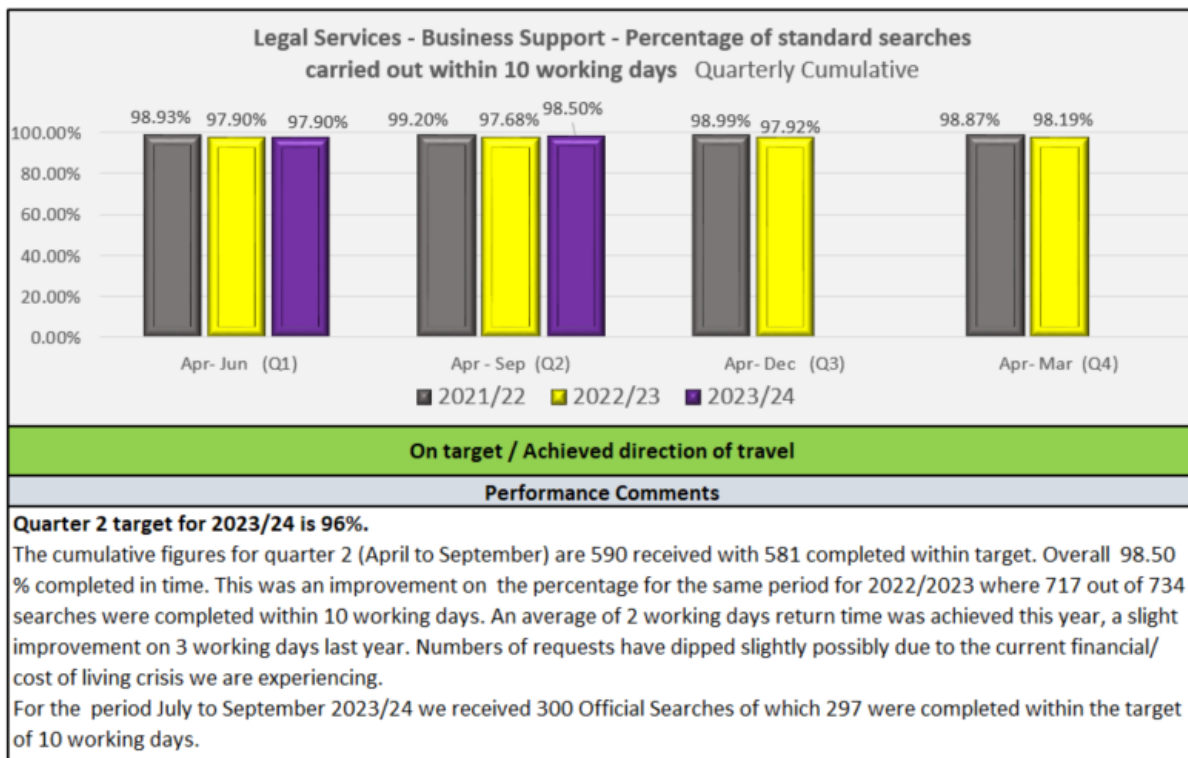
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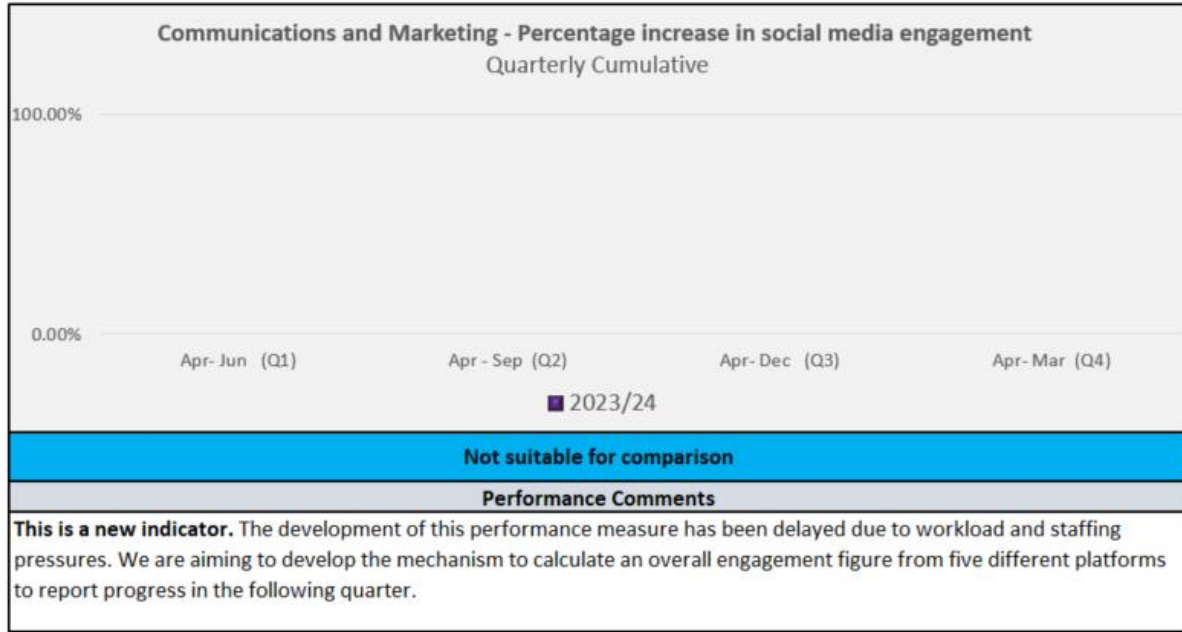
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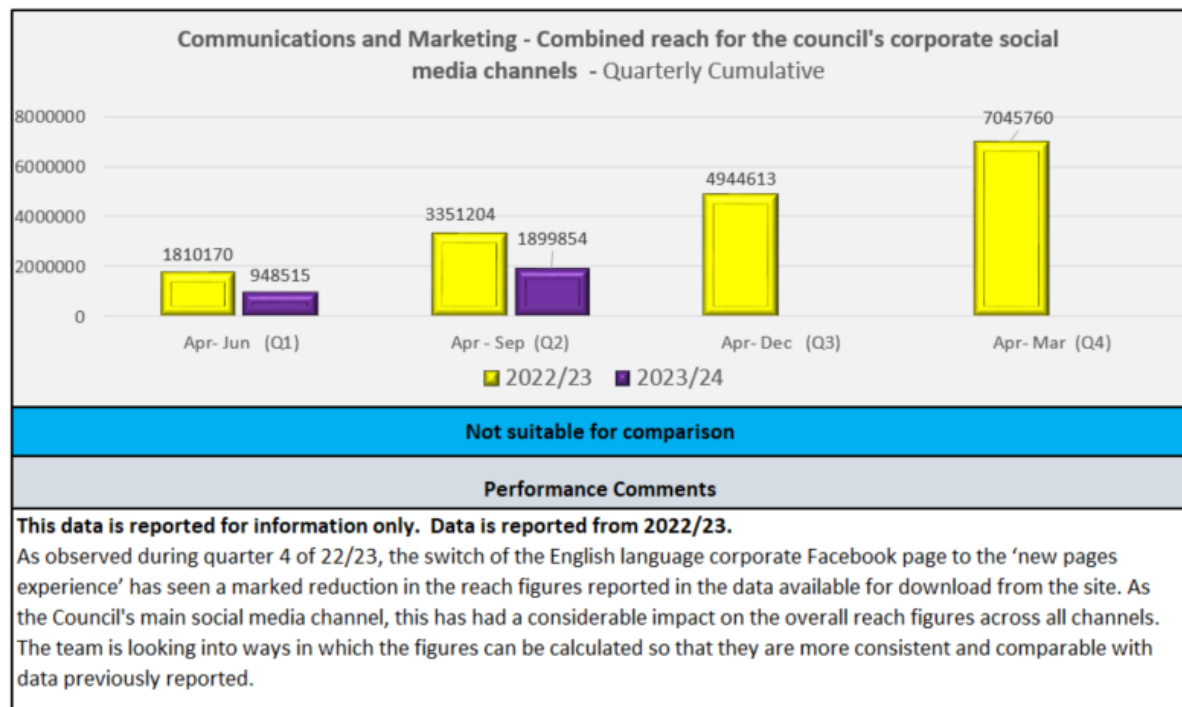
### **Governance and Resource (cross-cutting)**

Including Planning & Performance, Workforce Management, Financial Resources, Democracy, Community Relations, Asset Management and Commissioning & Procurement.

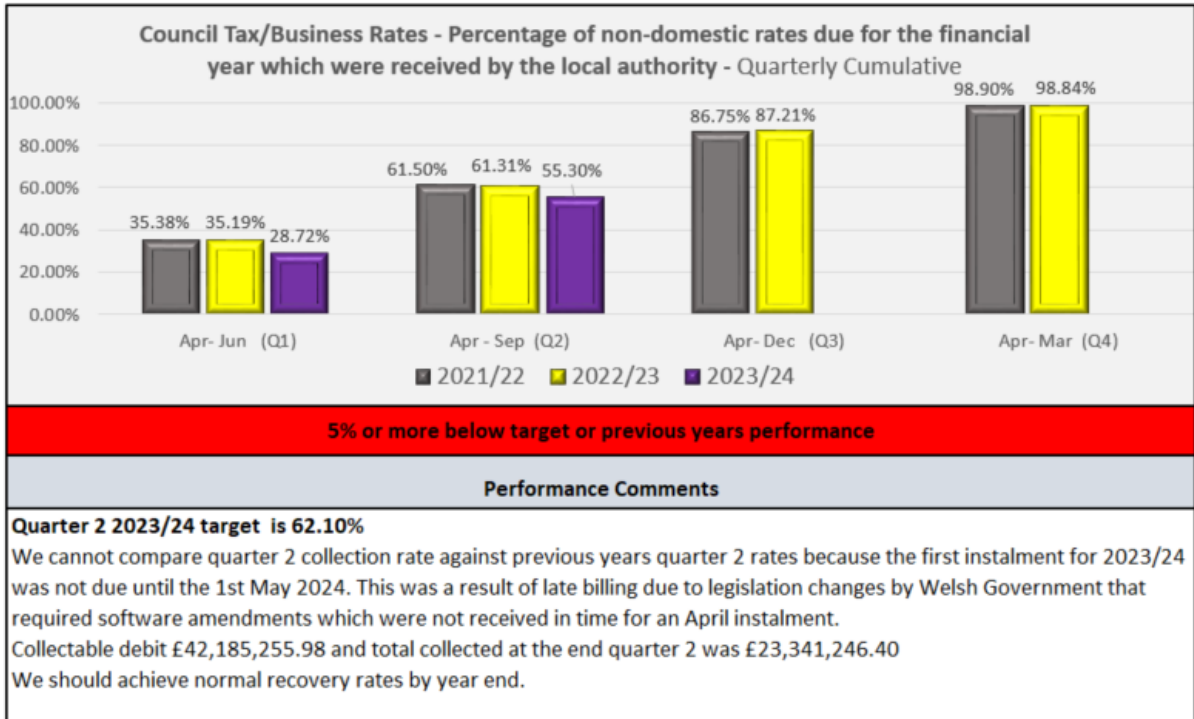
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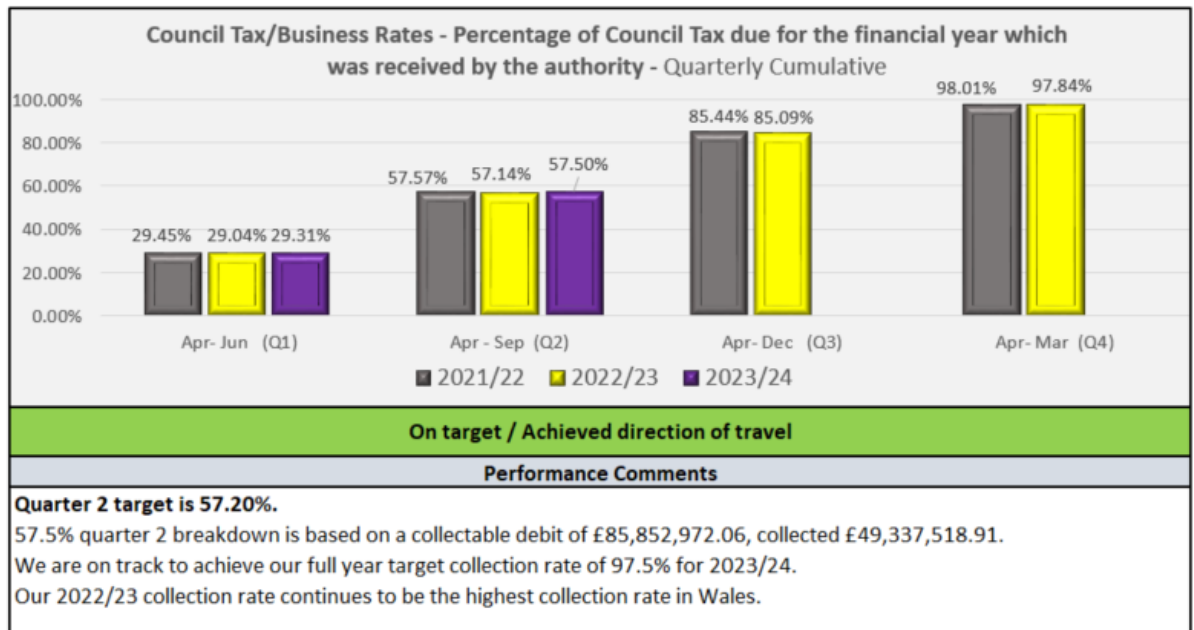
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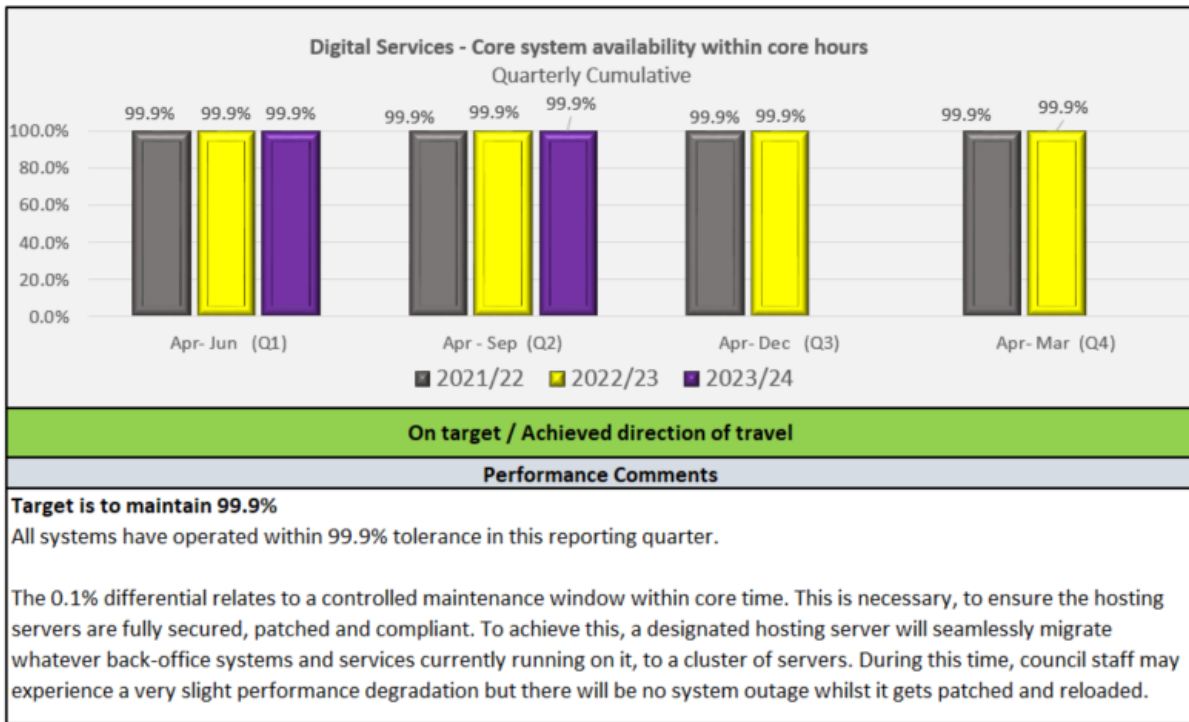
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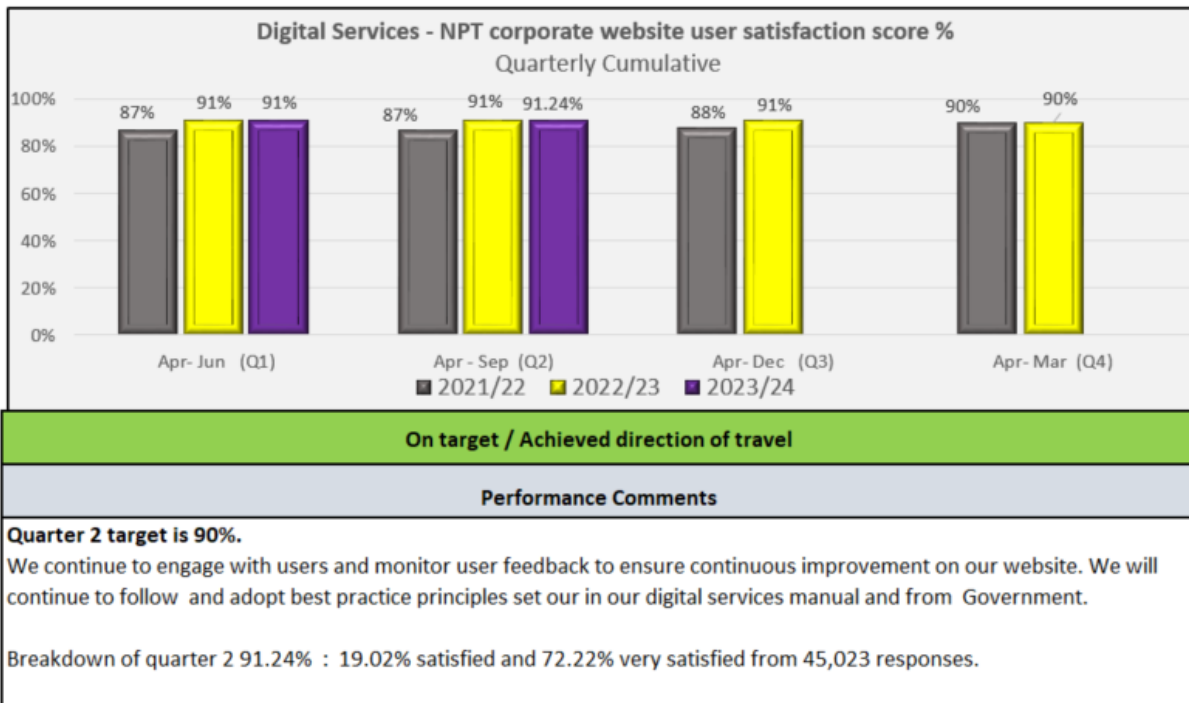
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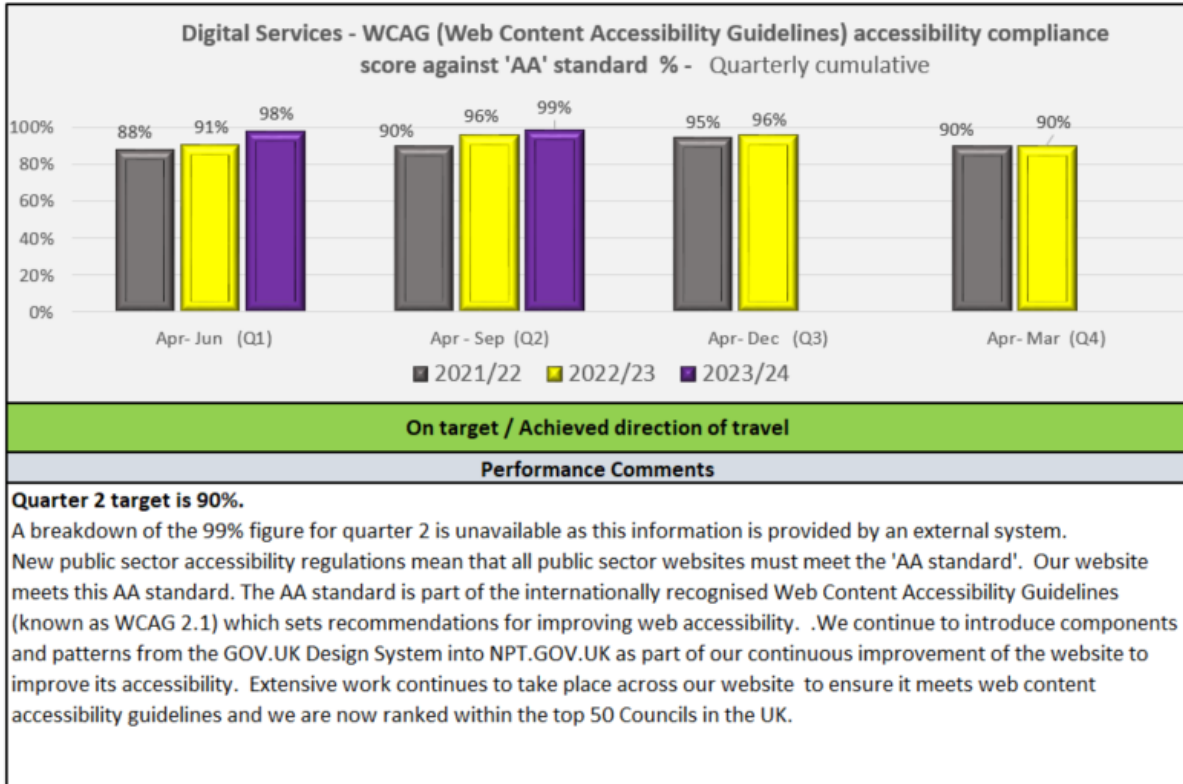
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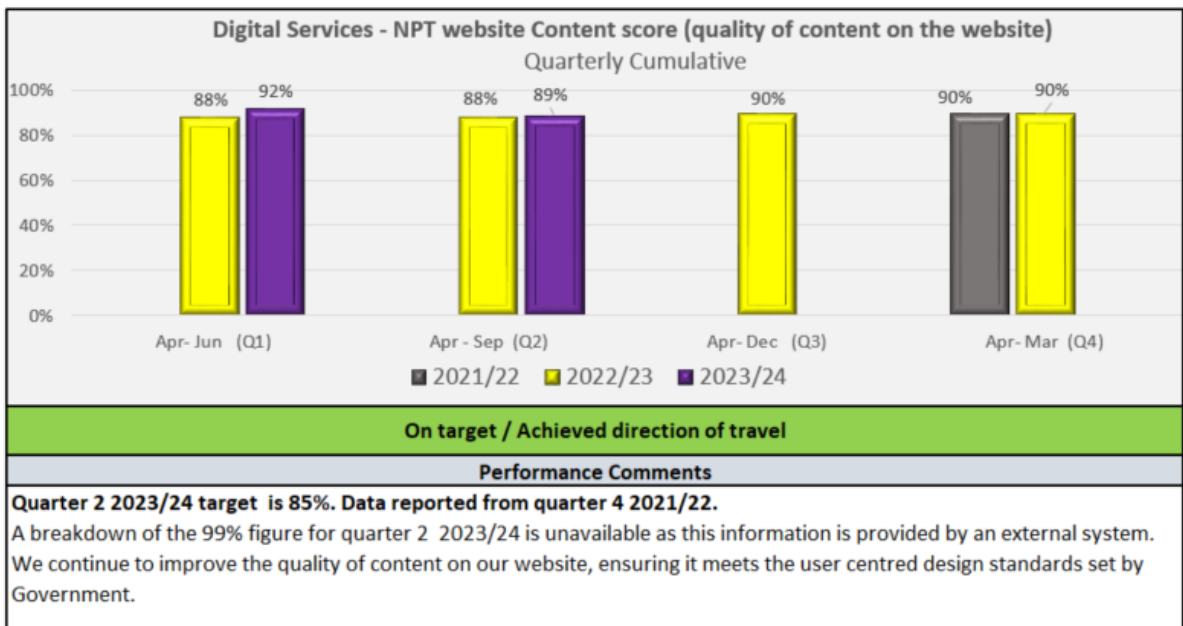
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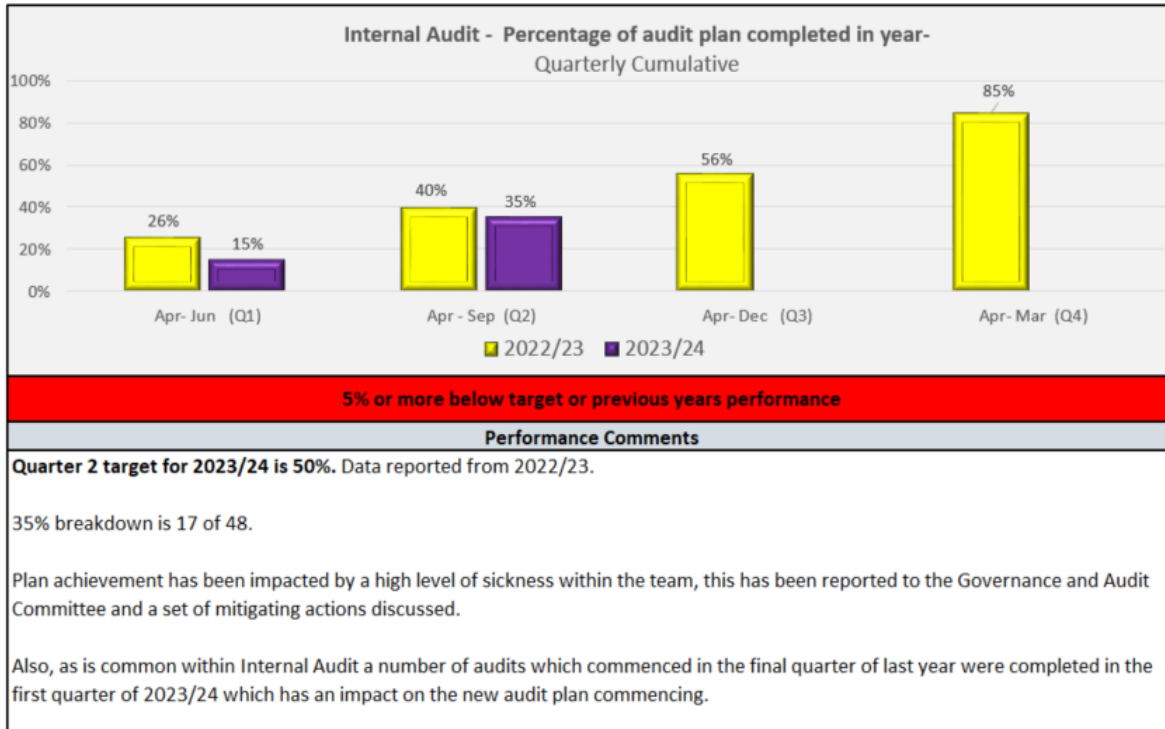
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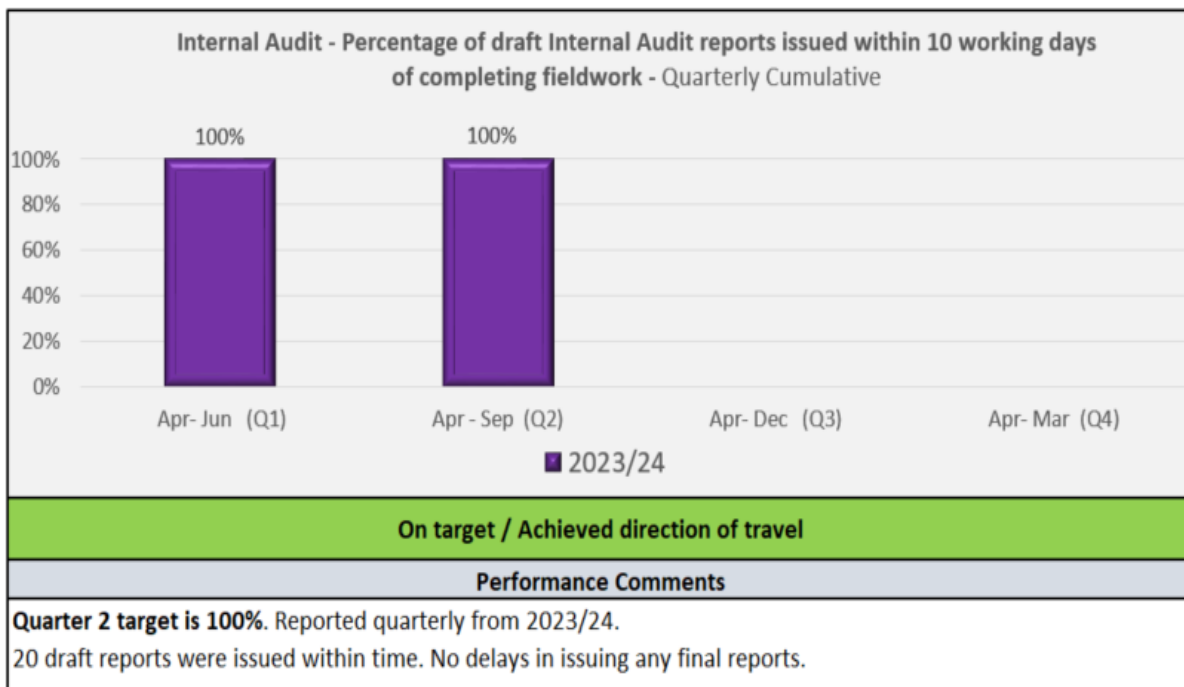
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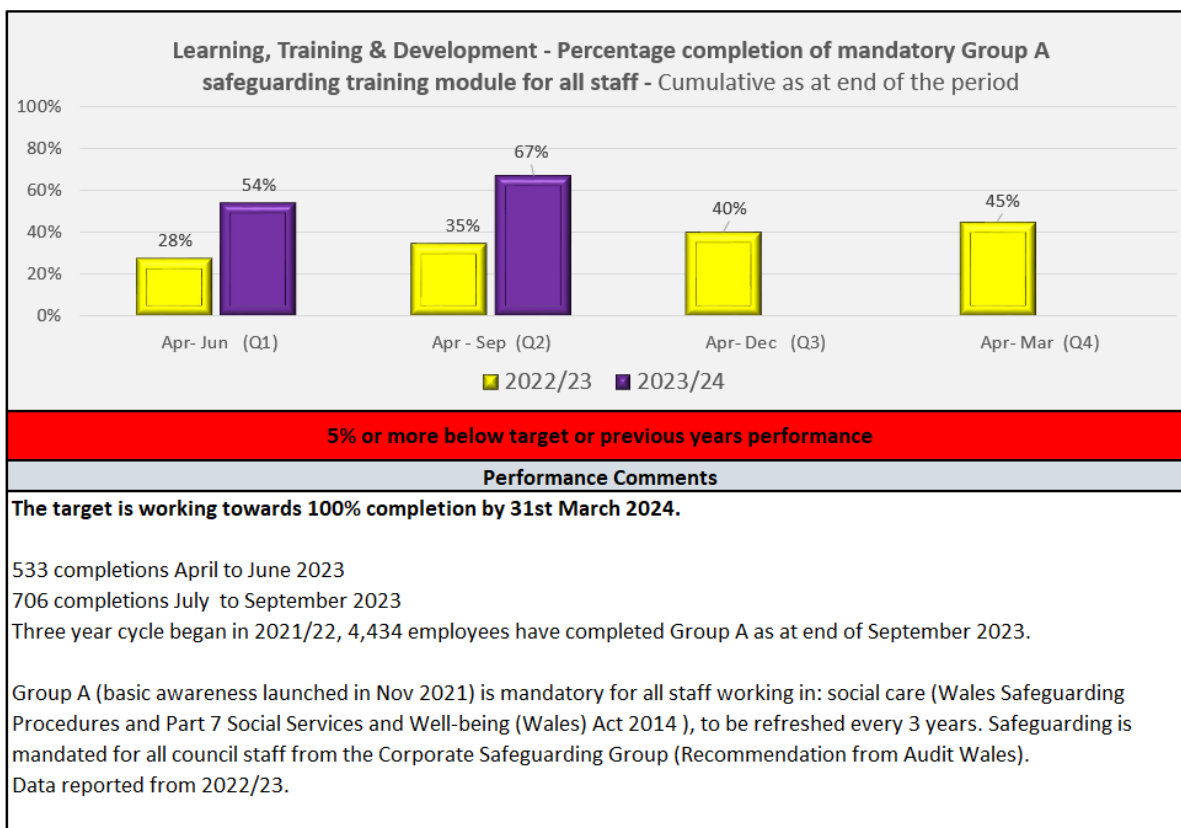


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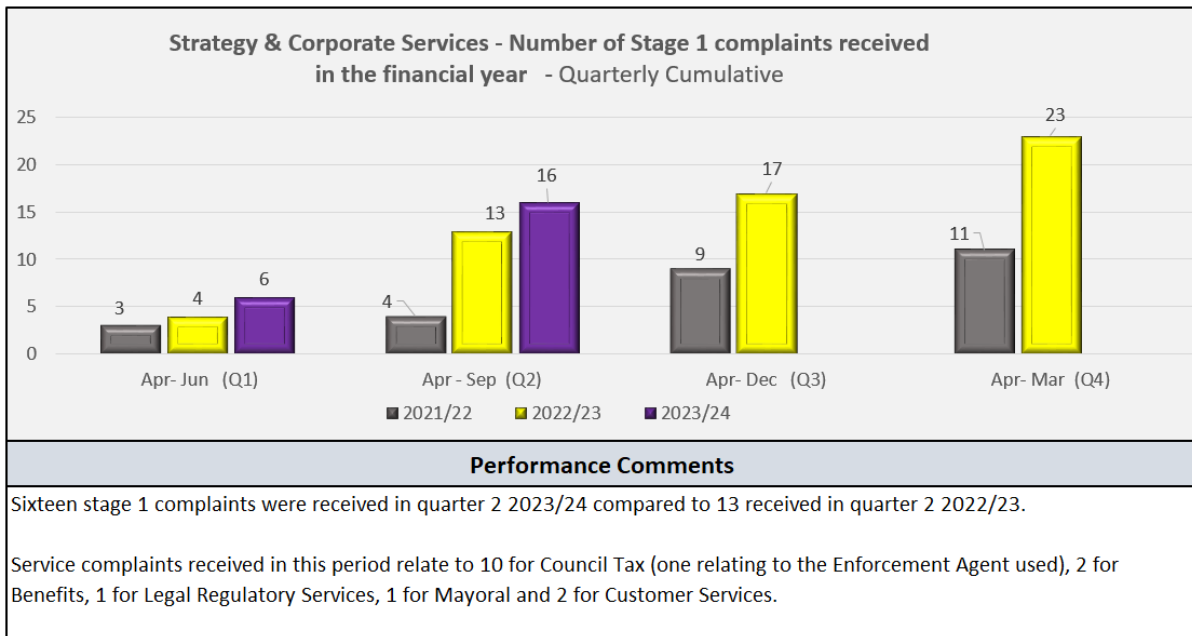


Cyngor Castell-nedd Port Talbot  
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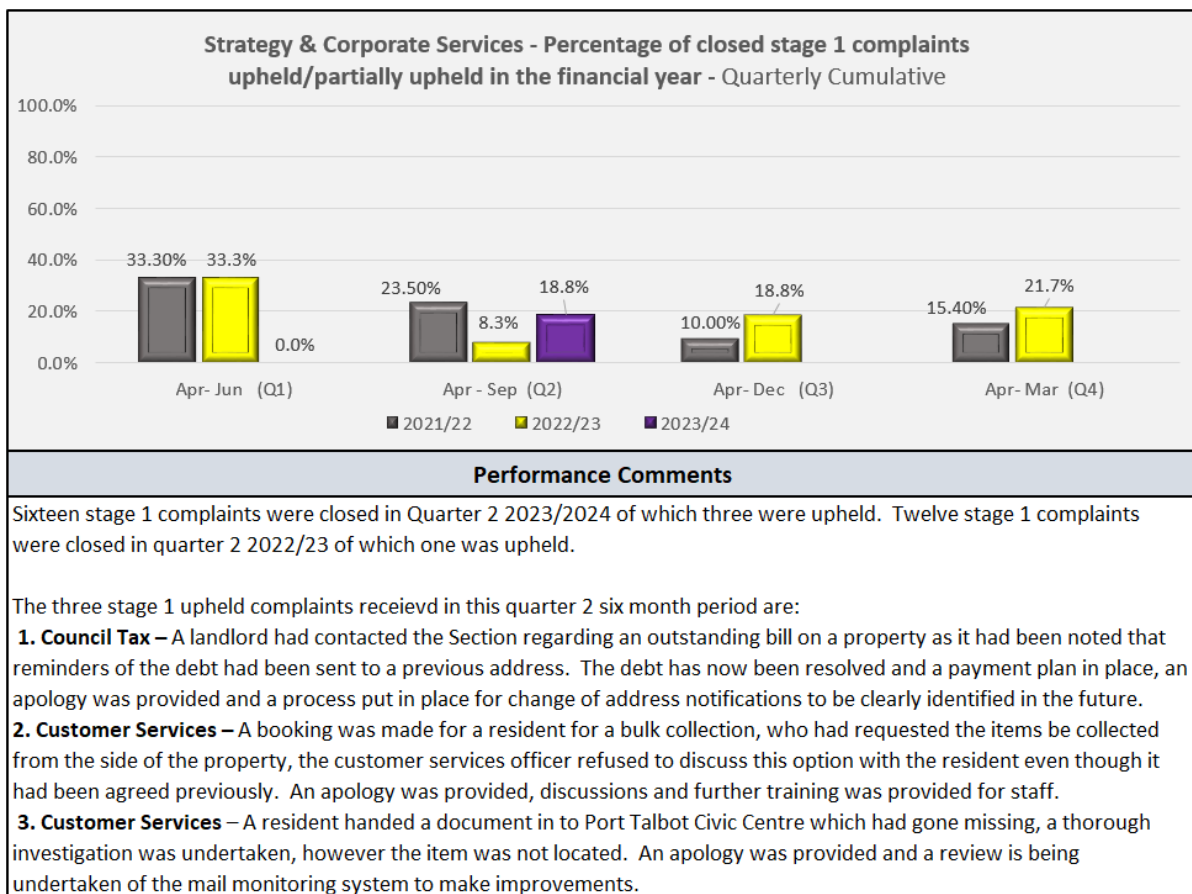
## Performance Measures

Appendix 3 - Strategy & Corporate Services –  
Compliments and Complaints  
Quarter 2 (1st April - 30th September) - 2023/24

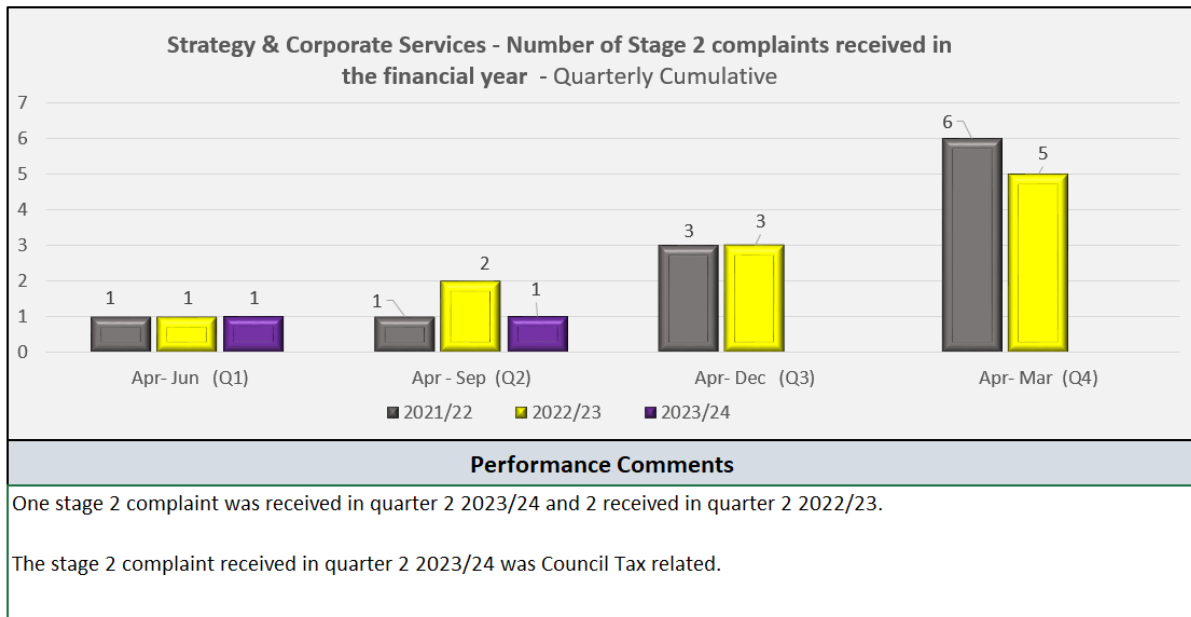
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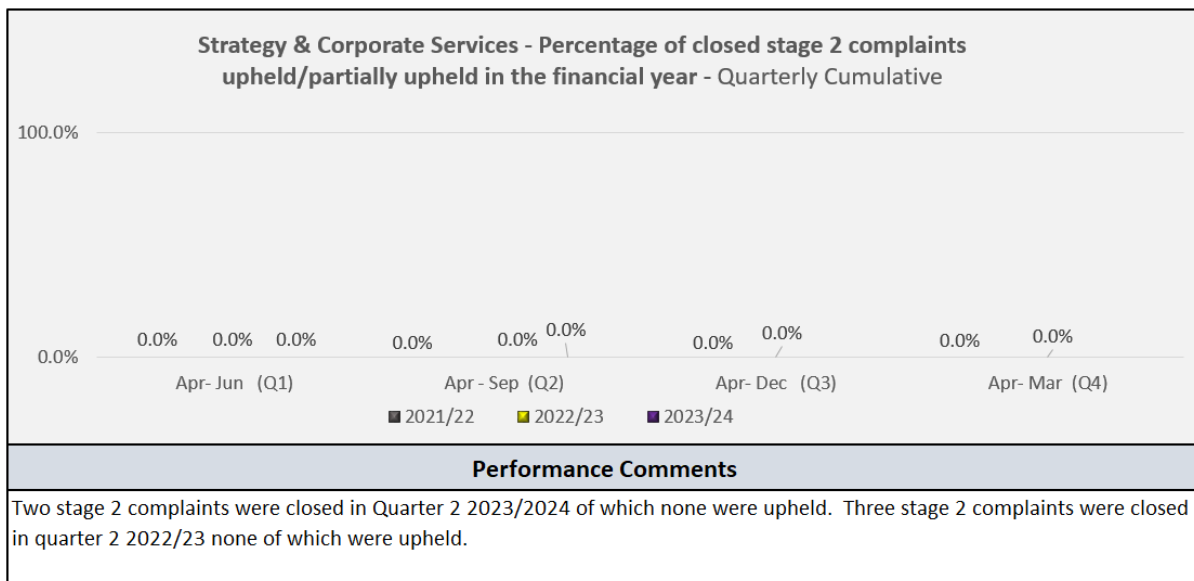
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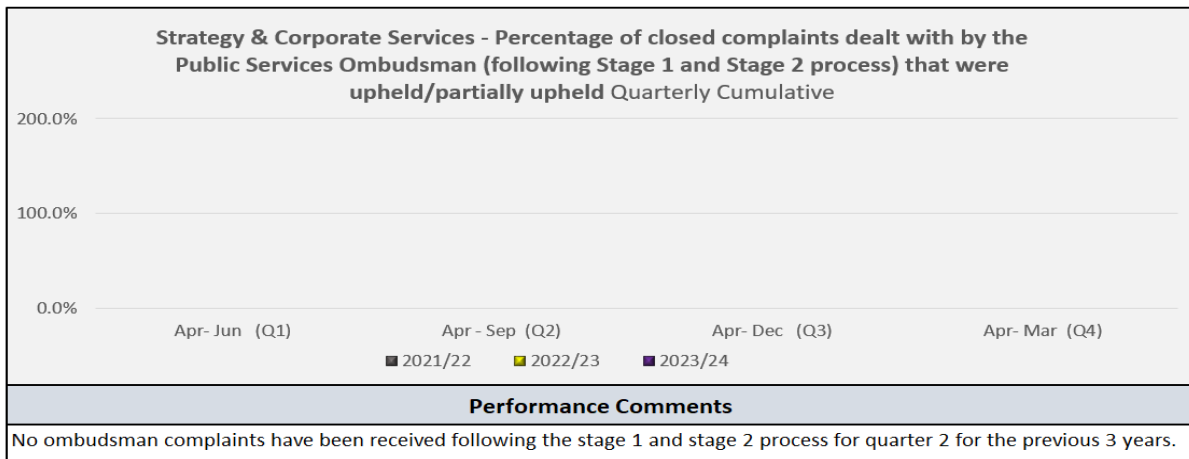
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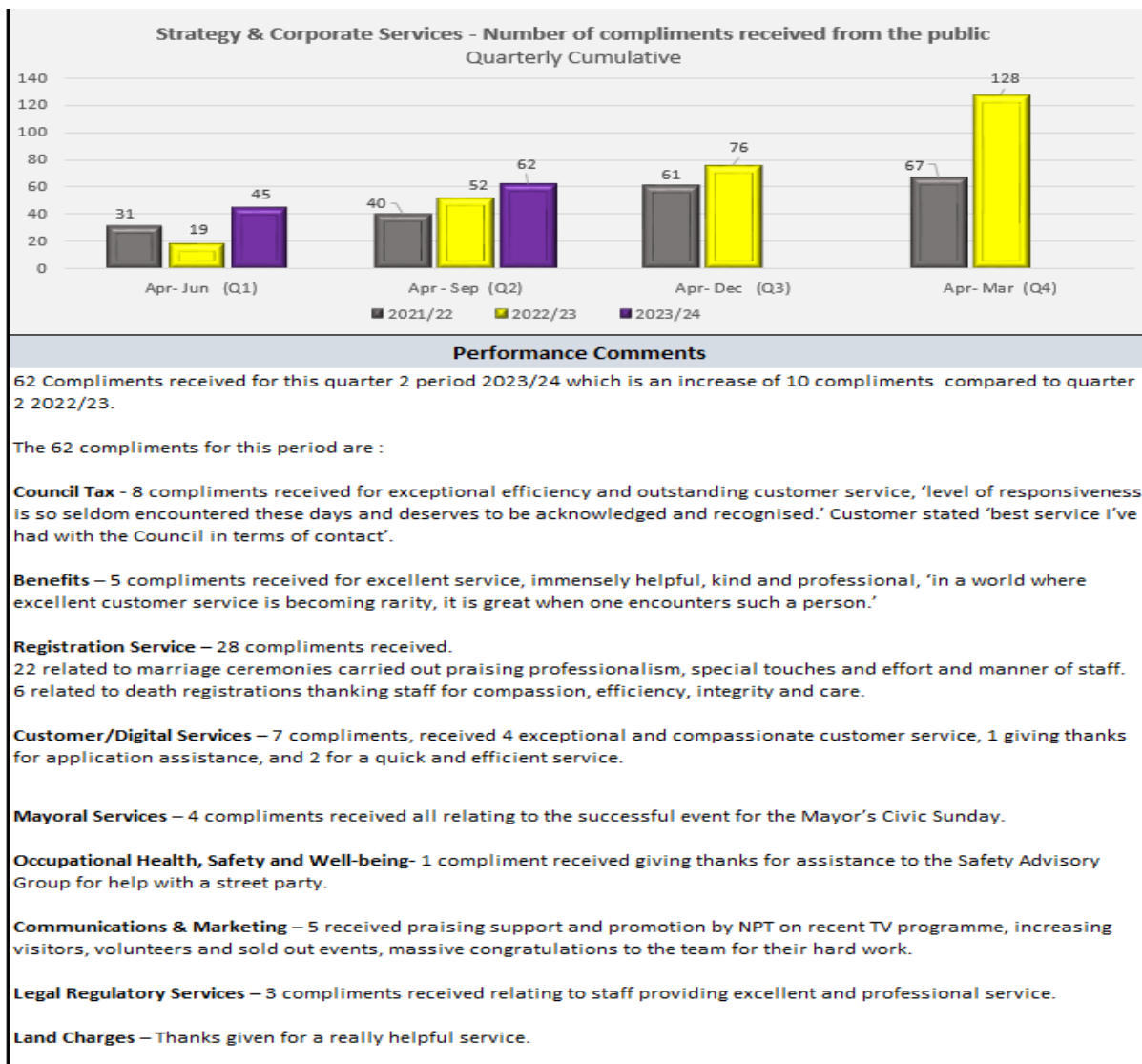
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Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## **Report of the Head of Legal and Democratic Services**

**Cabinet –**  
**Wednesday, 13 December 2023**

### **ACCESS TO MEETINGS/EXCLUSION OF THE PUBLIC**

<b>Purpose:</b>	To consider whether the Public should be excluded from the following items of business.
<b>Item (s):</b>	<p>Item 14 – Change of Operational Provision for the Vehicle and Plant Fleet</p> <p>Item 15 – Local Bus Tendering – De Minimis Subsidy Award</p> <p>Item 16 – Pontardawe Arts Centre</p> <p>Item 17 – Funding to Enhance the Homelessness and Strategic Housing Function</p> <p>Item 18 – Adult Services Strategic Investment</p> <p>Item 19 – Home Office Consultation on Safe and Legal Routes</p>
<b>Recommendation(s):</b>	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.
<b>Relevant Paragraph(s):</b>	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 dependent 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

<b>NO</b>	<b>Relevant Paragraphs in Schedule 12A</b>
<b>12</b>	Information relating to a particular individual
<b>13</b>	Information which is likely to reveal the identity of an individual
<b>14</b>	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
<b>15</b>	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
<b>16</b>	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
<b>17</b>	Information which reveals that the authority proposes: <ul style="list-style-type: none"><li>• To give under any enactment a notice under or by virtue of which requirements are imposed on a person, or</li><li>• To make an order or direction under any enactment.</li></ul>
<b>18</b>	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

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