



CABINET

2.00PM, WEDNESDAY 26 FEBRUARY 2025

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

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

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Part 1

1. Appointment of Chairperson
2. Chairpersons Announcement/s
3. Declarations of Interest
4. Minutes of Previous Meeting (*Pages 5 - 18*)
5. Forward Work Programme 2024/25 (*Pages 19 - 22*)
6. Public Question Time
Questions must be submitted in writing to Democratic Services, democratic.services@npt.gov.uk no later than noon two working days prior to the meeting. Questions must relate to items on the agenda. Questions will be dealt with in a 10 minute period.

Report/s of the Strategic Leadership Team

7. 2025/26 Revenue Budget Proposals (*Pages 23 - 92*)

Report/s of the Director of Finance

8. Capital Strategy and Capital Programme 2025/26 to 2027/28 (*Pages 93 - 110*)
9. Treasury Management Strategy, Annual Investment Strategy and Minimum Revenue Policy (*Pages 111 - 132*)

Report/s of the Head of Property and Regeneration

10. UK Shared Prosperity Fund (*Pages 133 - 152*)
11. 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).
12. Access to Meetings - Exclusion of the Public (*Pages 153 - 158*)
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

Private Joint Report/s of the Head of Engineering and Transport and the Head of Support Services and Transformation

13. Home to School Transport - Transformation Programme Update and Future Operations
(Exempt under Paragraphs 13, 14 and 16) (*Pages 159 - 282*)

Private Report/s of the Head of Housing and Communities

14. Housing Renewal and Adaptation Service - Repayment of Disabled Facility Grant Monies
(Exempt under Paragraph 14) (*Pages 283 - 288*)

F.O'Brien
Chief Executive

Civic Centre
Port Talbot

Thursday, 20 February 2025

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

5 FEBRUARY 2025

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

Officers in Attendance:

F.O'Brien, N.Pearce, A.Jarrett, A.Thomas, C.Howard, K.Warren, H.Jones,
D.Griffiths, C.Griffiths, C.Saunders, H.Lervy, .M.Selby, K.Windsor-Brown, H.
Short, C.Furlow-Harris, L.McAndrew, N.Jones and C.John

Wales Audit Office:

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 made a Declaration of Interest at the start of the meeting:

Councillor S.Knoyle - Minute No. 19 – Acquisition of Land and Buildings at Pontneddfechan.

Minute No. 20 – Acquisition of Land at Harbourside, Port Talbot.

4. **MINUTES OF PREVIOUS MEETING**

The minutes of the previous meeting of Cabinet, 15th January, 2025 were agreed as an accurate record.

5. **FORWARD WORK PROGRAMME 2024/25**

The Forward Work Programme was noted.

6. **PUBLIC QUESTION TIME**

No public questions were received.

7. **SOCIAL SERVICES DIRECTORS ANNUAL REPORT**

Decision:

That Members note and endorse the Director's Annual Report 23-24 as detailed in Appendix 1 to the circulated report for commending to Council for approval.

Reasons for Proposed Decision

To ensure Neath Port Talbot Social Services meet the requirements that every local authority must produce an annual report on the discharge of its social services functions.

Implementation of Decision

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

8. **NEATH PORT TALBOT ACCESSIBILITY STRATEGY FOR SCHOOLS 2025-2028**

Decision

That Members approve the Accessibility Strategy for Schools 2025-28.

Reasons for Proposed Decision:

The Council has a duty under paragraph 2(4) of schedule 10 of 'The Equality Act' 2010 prepare, implement, review and update a written

accessibility strategy, which identifies how strategic actions will improve accessibility to education for disabled pupils.

Implementation of Decision:

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

9. **SELF ASSESSMENT 2023/2024**

Decision:

That members approve the draft self-assessment prior to publication and submission to the Welsh Government.

Reason for Proposed Decision:

To evidence how the council is meeting the duty set out in the Local Government and Elections (Wales) Act 2021, 'for each Council in Wales to keep under review the extent to which it is meeting the 'performance requirements', that is the extent to which:-

- it is exercising its functions effectively;
- it is using its resources economically, efficiently and effectively;
- its governance is effective for securing the above.'

Implementation of Decision:

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

10. **ECONOMIC DEVELOPMENT CRM SYSTEM – CONTRACT RENEWAL**

Decision:

That having had due regard to the integrated impact assessment, Members approve a new three-year contract by direct award with Alcium Software Limited, for the continued provision of their Evolutive CRM system.

Reasons for Proposed Decision:

The reasons for the recommendation are as follows.

- The CRM system is integral to the delivery of current and planned activity including externally funded programmes.

- Delivery timeframes e.g. Tata grant funds, do not allow for an alternative system to be considered and procured.
- External funding is available to cover the costs if completed by February 2025.

Implementation of Decision:

‘The decision is proposed for implementation after the three day call in period’ (note: this is the default option and is expected to be the option that is used in most reports.) Please note that you should not implement recommendations until the three day call-in period has elapsed.

11. **ABERAFAN SEAFRONT MASTERPLAN**

Decision:

That having had due regard to the accompanying Integrated Impact Assessment Screening Form, Members approve the Aberafan Seafront Masterplan as at Appendix 1.

Reasons for Proposed Decision:

To ensure that the Council has a more cohesive, sustainable, and strategic approach to the future development of Aberafan Seafront as a leisure destination for the benefit of local community wellbeing and the local economy.

Implementation of Decision:

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

12. **NEATH PORT TALBOT EVENTS STRATEGY 2025-2035**

Decision:

That having had due regard to the accompanying Integrated Impact Assessment Screening Form it is recommended that;

- Members approve the Events Strategy 2025-2035 for adoption by the Council.

- Members delegate the responsibility for agreeing the terms and conditions for temporary events and attractions across the County Borough to the Head of Leisure, Tourism, Heritage & Culture in consultation with the Cabinet Member for Nature, Tourism & Wellbeing as appropriate.

Reasons for Proposed Decision:

To ensure that the Council has a long-term vision and strategy for to grow the number and variety of events held in Neath Port Talbot for the benefit of local community wellbeing, local culture and the local economy.

Implementation of Decision:

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

13. **STRATEGIC SCHOOL IMPROVEMENT PROGRAMME - PROPOSAL TO CLOSE THE LEARNING SUPPORT CENTRE FOR PUPILS WITH SPECIFIC LITERACY DIFFICULTIES AT CWMTAWE COMMUNITY SCHOOL**

Decision:

That having had due regard to the responses to consultation, and the integrated impact and risk assessments, in line with Section 48 of the School Standards and Organisation (Wales) Act 2013, Members approve the statutory publication of a proposal to close the specialist learning support centre (LSC) provision for secondary age pupils with Specific Literacy Difficulties (SpLD) at Cwmtawe Community School.

Reasons for proposed decision:

This decision is necessary to comply with the formal publication requirements imposed on the Council by the School Organisation Code and associated legislation. A draft statutory notice is attached as appendix D. Implementation of the proposal will enable the Council to promote high educational standards and the fulfilment of every child's potential. It will also enable the Council to meet its duty to ensure that resources are utilised effectively in line with the need for specialist places within the County Borough.

Implementation of the decision:

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

14. **STRATEGIC SCHOOL IMPROVEMENT PROGRAMME - PROPOSAL TO CLOSE THE LEARNING SUPPORT CENTRE FOR PUPILS WITH VISUAL IMPAIRMENT AT CEFN SAESON COMPREHENSIVE SCHOOL**

Decision:

That having had due regard to the responses to consultation, and the integrated impact and risk assessments, in line with Section 48 of the School Standards and Organisation (Wales) Act 2013, Members approve the statutory publication of a proposal to close the specialist learning support centre (LSC) provision for secondary age pupils with visual impairment at Cefn Saeson Comprehensive School.

Reasons for proposed decision:

This decision is necessary to comply with the formal publication requirements imposed on the Council by the School Organisation Code and associated legislation. A draft statutory notice is attached as appendix D. Implementation of the proposal will enable the Council to promote high educational standards and the fulfilment of every child's potential. It will also enable the Council to meet its duty to ensure that resources are utilised effectively in line with the need for specialist places within the County Borough.

Implementation of the decision:

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

15. **(TRAFFIC CALMING MEASURES AT A474 HEOL Y GORS, CWMGORS) ORDER 2024**

Decision:

That having had due regard to the integrated impact assessment it is recommended that the objections are overruled in full to the (Traffic Calming Measures At A474 Heol Y Gors, Cwmgors) Order 2024 (as detailed in Appendix A to the circulated report) and that the scheme is implemented as advertised.

Reasons for Proposed Decision:

The Order is necessary to reduce vehicular speeds in the interest of road safety.

Implementation of Decision:

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

16. **(FENBROOK CLOSE, ABERAVON) (PROHIBITION OF WAITING, LOADING AND UNLOADING AT ANY TIME) ORDER 2024**

Decision:

That having had due regard to the integrated impact assessment it is recommended that the objections are upheld in part to the (Fenbrook Close, Aberavon) (Prohibition of Waiting, Loading and Unloading At Any Time) Order 2024 (as detailed in Appendix A to the circulated report) and that a revised scheme (as detailed in Appendix B to the circulated report) is implemented.

Reasons for Proposed Decision:

The scheme is necessary to prevent indiscriminate parking in the interest of road safety.

Implementation of Decision:

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

17. **URGENT ITEMS**

Because of the need to deal now with the matters contained in Minute No 19 and 20 below, the Chairperson agreed these could be raised at today's meeting as urgent items pursuant to Section 100B(4) of the Local Government Act 1972.

Reason:

Due to the time element

18. **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 the relevant Paragraphs of Part 4 of Schedule.

19. **ACQUISITION OF LAND AND BUILDINGS AT PONTNEDDFECHAN (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the integrated impact assessment, that Members approve the acquisition of the land shown edged red on the attached plan, together with the cost of replacing the agricultural buildings totalling £510,000 plus reasonable costs. In addition, that delegated authority be granted to the Head of Property and Regeneration in order to settle the overage and potential covenant position.

In the event that a voluntary release of any rights/restrictions is not able to be achieved, Members approve the application of s.203 of the Housing and Planning Act 2016 in carrying out the development and that delegated Authority be granted to the Head of Property and Regeneration in order to settle any compensation claims that may arise.

Reasons for Proposed Decision:

In order to allow the delivery of the Levelling Up project as outlined on the attached plan.

Implementation of Decision:

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

20. **ACQUISITION OF LAND AT HARBOURSIDE, PORT TALBOT (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the integrated impact assessment, that Members agree to the acquisition of this site.

Reasons for Proposed Decision:

In order to bring forward the Harbourside Innovation District.

Implementation of Decision:

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

21. **SEAFRONT ATTRACTIONS 2025-2027 (EXEMPT UNDER PARAGRAPH 14 AND 16)**

Decision:

That having had due regard to the integrated impact assessment that:

- Members approve the exclusion of Contract Procedure Rule 11.4;
- Delegated authority be granted for the Head of Leisure, Tourism, Heritage & Culture in consultation with the Head of Legal and Democratic Services and the Portfolio Holder for Nature, Tourism & Wellbeing to enter into a Licence with Studt's Funfair, to allow Studt's Funfair to occupy Council land to operate a Ferris Wheel and funfair for a term of two and a half years at Aberavon Beach.

Reasons for Proposed Decision:

To provide additional attractions at Aberavon Seafront for local residents and visitors consistent with the ambitions articulated in the Aberavon Seafront Masterplan and the Destination Management Plan.

Implementation of Decision:

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

22. **CONTRACTUAL ARRANGEMENTS FOR THE PREVENTION AND WELLBEING SERVICE (PAWS) (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the integrated impact assessment, that Members:

Agree to suspend Rule 11 of the Council's Contract Procedural Rules

Provide permission for the Head of Housing and Communities to enter into a new contract with The Wallich for the provision of a Prevention and Wellbeing Service for a period of 12 months. This period being subject to the Council being able to terminate the service early by providing three months' notice to The Wallich.

Reasons for Proposed Decision

So that there is a legally binding contract enabling the continuation of these essential services whilst Officers conclude a pilot of the new service model and undertake a procurement exercise.

Implementation of Decision

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

23. **PURCHASE OF COUNCIL OPERATED TEMPORARY ACCOMMODATION (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the integrated impact assessment, subject to satisfactory surveys, property searches and legal checks, that the Council purchase the current leased property which is utilised as Council operated temporary accommodation for its continued use.

Reasons for Proposed Decision:

To support the Council in meeting its statutory duties to relieve homelessness in a way that reduces reliance on B&Bs, reduces cost of leasing and generates an income stream.

Implementation of Decision:

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

24. **PERMISSION TO PROCEED WITH REMODELLING OF CARE AND SUPPORT AT TREM Y GLYN (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That Members grant permission for Officers to:

- Proceed with the 12 bed reablement unit within Trem Y Glyn Residential Home.

Reasons for Proposed Decision:

To ensure the council is able to offer a reablement service to individuals in the community to prevent unnecessary admission into hospitals and care homes.

Implementation of Decision:

The decision is proposed for implementation from 1st April 2025.

25. **PROPOSED DISPOSAL OF CHANGING ROOMS, PORT TALBOT (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the first stage Integrated Impact Assessment and for the reasons outlined above, Members approve the disposal of land on the terms and conditions set out in this report.

Reason for Proposed Decision:

The decision aligns with the council's objectives to address housing shortages, provide cost-efficient care solutions and maximise the value of the council's assets.

Implementation of Decision:

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

26. **PROPOSED DISPOSAL OF LAND AT CROESERW, PORT TALBOT (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That having had due regard to the first stage Integrated Impact Assessment,

- A public open space notice be published in accordance with Section 123(2A) of the Local Government Act 1972 for Council

owned land at Menai Avenue, measuring approximately 4,143 m² and edged red on the attached plan (Appendix 1).

- Members approve the disposal of the land on the terms and conditions set out in this report, subject to the satisfactory consideration of any objections received as part of the public open space notices.
- Members note that in the event that objections are received, a report will be brought back to Cabinet for future determination on whether to proceed.

Reasons for Proposed Decision:

The disposal will provide the Council with a capital receipt while facilitating the delivery of affordable housing that supports local needs.

Implementation of Decision:

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

27. **PERMISSION TO PROCEED WITH THE REMODELLING OF SUPPORTED LODGINGS FOR YOUNG PEOPLE (EXEMPT UNDER PARAGRAPH 14)**

Decision:

That Members grant permission for:

- Officers to end the current commissioning arrangements from 30th April 2025 for the delivery of the Supported Lodgings service and to transfer this service into Neath Port Talbot Council's direct provision (bring in-house).
- Officers to implement a new 'set up' payment for new Supported Lodgings hosts (up to the value of £200 per host) to reimburse their initial out of pocket expenses when joining the service.

Reasons for Proposed Decision:

To take into account the social care resources available when undertaking an assessment or reassessment of individuals' needs; to ensure a sustainable range of good quality services are available to

young people in Neath Port Talbot; to contribute towards the budgetary savings identified in the Council's Forward Financial Plan; and to contribute to Welsh Government's aim to rebalance the social care market by moving services away from for-profit organisations.

Implementation of Decision:

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

CHAIRPERSON

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CABINET Forward Work Programmes 24/25

Meeting Date	Agenda Item	TYPE	Contact Officer	Purpose of Report	Called for Scrutiny	Cabinet Portfolio Holder	Relevant Scrutiny committee
Cabinet (Special) 12 th March 2025	Revenue Budget Monitoring 24-25	For Decision	Huw Jones			Cllr.S.Knoyle Portfolio 2	Community, Finance and Strategic Leadership
	Capital Budget Monitoring 24-25	For Decision	Huw Jones			Cllr. S.Knoyle Portfolio 2	Community, Finance and Strategic Leadership
	Treasury Management Monitoring 24-25	For Decision	Huw Jones			Cllr. S.Knoyle Portfolio 2	Community, Finance and Strategic Leadership
	Purchase of Emergency Accommodation to Elevate Homelessness	For Decision	Chele Howard	In light of the ongoing need to utilize B & B/Hotels as emergency accommodation to elevate homelessness, it is requested that the Head of Housing and Communities continues to receive delegated authority to purchase B&B/Hotel placements.		Cllr A.Llewelyn Portfolio 8	Social Services, Housing and Community Safety
	Delegation under Local Government Legislation to Briton Ferry Town Council regarding the provision of a day service	For Decision	Angela/ Craig Griffiths				
	Quarter 3 Corporate Plan Performance Monitoring Report	For Monitoring	Louise McAndrew			Cllr S.Hunt Portfolio 1	Cabinet
	Commercial Property Grant	For Decision	Simon Brennan/ Andrew Collins				Environment, Regeneration and Streetscene Services.
	Acquisition of land at Moose Hall, Neath	For Decision	Andrew Collins		14 th Feb		
	6 Monthly Annual Governance Statement	For Monitoring	Noelwyn Daniel			Cllr. S. Hunt Portfolio 1	Community Finance and Strategic Leadership
	Various Traffic Orders (Detail not available)	For Decision	David Griffiths			Cllr W.Griffiths Portfolio 9	
Various Land Disposal Reports (If Needed)	For Decision	Simon Brennan			Cllr J.Hurley Portfolio 4		

Meeting Date	Agenda Item	TYPE	Contact Officer	Purpose of Report	Called for Scrutiny	Cabinet Portfolio Holder	Relevant Scrutiny committee
Cabinet 19 March 2025	Admission To Community Schools 2026/2027 (back from consultation) permission to approve	For Decision	Helen Lewis	Back from consultation for approval.		Cllr. N.Jenkins	Education, Skills and Wellbeing
	Fleet and Heavy Plant Renewals	For Decision	Kevin Lewis	This report seeks approval to procure new and replacement vehicles and heavy plant in 2025/2026 that has reached the end of their economic life cycle and require replacement in line with the Authority's Fleet Renewals Programme.	YES 14 th March	Cllr. W.Griffiths Portfolio 9	Environment, Regeneration and Streetscene Services
	Report on HWRC Feasibility	For Decision	Mike Roberts	To inform Members on the outcome of feasibility work into suitable sites for a new HRWC in the Afan Valley area, and seek a decision regarding further work or not (further to Measure 17 of the approved Waste Strategy Action Plan)	14 th March	Cllr. S.Jones, Portfolio 10	Environment, Regeneration and Streetscene Services
	Library Strategy	For Decision	Chris Saunders/ Clare Davies	To approve the Library Strategy	Scrutiny 6 th March To Be Confirmed	Cllr.C.Phillips Portfolio 5	Education, Skills and Wellbeing
	Neath Port Talbot Youth Justice Plan 24/25	For Decision	Ruth Griffiths/ Andrew Jarrett	Commend to Council for approval (Council 2 nd April)		Cllr S. Harris, Portfolio 6	Social Services, Housing and Community Safety
	DFG Proposal to reinstate Means Test for Small to Medium DFG's	For Decision	Chele Howard/ Rob Davies		To be confirmed	Cllr. A. Llewelyn Portfolio 8	Social Services, Housing and Community Safety
	Revised Consultation and Engagement Strategy and Toolkit	For Decision	Sheenagh Rees		No Scrutiny available within timescale.	Cllr. S. Knoyle Portfolio 2	
	Third Sector Application Approval	For Decision	Noelwyn Daniel	This is the return report asking for the applications to be approved .	To be Confirmed	Cllr. S. Knoyle Portfolio 2	Community, Finance and Strategic Leadership
	UK Shared Prosperity Fund 2025-26	For Decision	Lisa Willis	Updated Criteria for the Scheme		Cllr.J.Hurley Portfolio 4	Community, Finance and Strategic Leadership
	Urdd Eisteddfod Report	For Decision	Chris Saunders/ Karleigh Davies		6 th March	Cllr.N. Jenkins Portfolio 3	Education, Skills and Wellbeing
	Empty Commercial Properties	For Decision	Simon Brennan			Cllr J. Hurley Portfolio 4	Environment, Regeneration and Streetscene Services
	Various Traffic Orders (Detail not available)	For Decision	David Griffiths			Cllr W.Griffiths Portfolio 9	
	Various Land Disposal Reports (If Needed)	For Decision	Simon Brennan			Cllr J.Hurley Portfolio 4	

Meeting Date	Agenda Item	TYPE	Contact Officer	Purpose of Report	Called for Scrutiny	Cabinet Portfolio Holder	Relevant Scrutiny committee
Cabinet 9 th April	Social Services Complaints Annual Report	For Monitoring	Leighton Jones			Cllr.A.Llewellyn Portfolio 8 Cllr S.Harris Portfolio 6 Cllr J Hale Portfolio 7	Social Services, Housing and Community Safety
	Permission to Consult and Pilot an Alternative Night Time Support Report	For Decision	Keri Warren/ Hayley Short		Yes, 13 th March 2025	Cllr.S.Harris Portfolio 6	Social Services, Housing and Community Safety
	LA Governors Appointment	For Decision	Catherine Jones		No	Cllr. N.Jenkins Portfolio 3	Education, Skills and Wellbeing
	Highways and Engineering Works Programme	For Decision	Mike Roberts		Yes 4 th April	Cllr Scott Jones Portfolio 10	Environment , Regeneration and Streetscene Services
	Policies for the use of artificial grass and installation of honeybee hives on NPT Council / managed land.	For Decision	Ceri Morris/ Lana Beynon		Awaiting Confirmation 31 st Jan	Cllr. S.Jones Portfolio 10	Environment, Regeneration and Streetscene Services
	Regeneration Strategy	For Decision	Andrew Collins		14 th Feb 25	Cllr.J.Hurley Portfolio 4	Environment, Regeneration and Streetscene Services
	Various Traffic Orders (Detail not available)	For Decision	David Griffiths			Cllr W.Griffiths Portfolio 9	
	Various Land Disposal Reports (If Needed)	For Decision	Simon Brennan			Cllr J.Hurley Portfolio 4	

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Neath Port Talbot County Borough Council

Cabinet

Report of the Strategic Leadership Team

26th February 2025

Matter for decision

Wards affected – All

2025/26 Revenue budget proposals

Purpose of Report

To seek Cabinet approval for the proposed Council 2025/26 revenue budget including investment in services; savings and income generation proposals; and proposed council tax levels.

Background

Neath Port Talbot County Borough Council's ("the Council") net revenue budget requirement for 2024/25 totals £376m and when grants and income are taken into account, this means the Council's gross budget invests over c£500m in services across the County Borough.

Every year, the Council has a duty to consult and set a budget for the provision of services. This report details the proposed 2025/26 revenue budget. A separate report, setting out the proposed Council capital programme for 2025/26, is also presented for Members' approval at today's meeting.

Executive Summary

Cabinet agreed early engagement on a range of budget proposals on 2nd October 2024. Following this engagement, which included four scrutiny committee meetings, a number of proposals were withdrawn from the draft proposals considered by Cabinet in January 2025.

The proposals withdrawn are detailed below:

Directorate	Proposal	£'000
ELLL	ELLL I - Full cost recovery of school cleaning - now phased over two years	157
ENV	ENV J - Reduce drainage repair team and highways maintenance budget	210
ENV	ENV N & ENV O - Three weekly waste collection, removal of wheelie bins and introduction of green waste charges	739
ENV	ENV M - Reduction to neighbourhood services workforce	379
ENV	ENV X - Trading standards succession planning	20
ENV	ENV Y - Deletion of environmental health post	43
ENV	ENV Z - Deletion of vacant environmental health officer post	29
S&CS	S&CS - K - Trade Union facilities time saving	12
S&CS	S&CS J (part of) - Remove 1 FTE from HR team	42
Total		1,631

Following the withdrawal of the above, on the 10th January 2025, Cabinet approved a public consultation process on the draft budget for 2025/26.

The report considered by Cabinet outlined a residual budget gap of £15.031m. After taking account of savings/income generation proposals this budget gap reduced to £6.398m. In order to close this gap public consultation was undertaken on a council tax increase of 7%.

Details of the consultation responses can be found in Appendix 7 of this report.

The final local government settlement will not have been received at the time this report is published. It is not anticipated that the final settlement will differ significantly from the provisional. If however there is a significant variation a verbal update will be provided to Cabinet with any changes then incorporated in the report for Council on 5th March 2025, where final decisions on the budget and council tax will be taken.

Following consideration of the consultation responses and having taken on board discussion at the various scrutiny committees the final changes to the original proposals are included in these final proposals:

- The proposed saving of £500k in relation to home to school transport re-tendering has been deferred for a year due to uncertainty of deliverability in 2025/26. The Education Equalisation reserve will be utilised to manage this timing difference.

Provisional Local Government Settlement

The revenue settlements from Welsh Government in the last two financial years – 2023/24 and 2024/25 fell substantially short of what the Council needed to deliver its services and functions.

For 2025/26 the provisional settlement for Neath Port Talbot was a like for like increase of 4.4% or £12.977m which was an improvement on the 0.5% or £1.5m which had initially been modelled.

This additional funding is required to meet both greater than anticipated inflationary cost increases and also additional investment in services which are included within Appendix 3 of the report including

In the main the investment relates to an additional £1.5m into the schools delegated budget and a further investment to stabilise the Social Services, Housing and Community Safety budget which has been relying previously on using reserves to fund core costs.

Appendix 3 also contains a proposal to invest an additional £110k into the Environmental Health Team. This will fund two additional members of staff specifically to start addressing issues with ruinous and dilapidated commercial buildings.

This additional funding has also been utilised to fund the shortfall resulting from the withdrawn savings proposals as detailed earlier in the report.

Strategic Context

This was set out in the January 10th report but is repeated below for ease of reference.

Recent years have been characterised by considerable volatility as a result of world and domestic events.

- The pandemic period has left a significant legacy with high numbers of people requiring support from social services, homelessness services and more young people presenting with additional learning needs and more young people needing additional help to attend school and participate in their education;
- The war in Ukraine caused a further economic shock which saw energy prices, general inflation and interest rates sharply increase. Although inflation has now returned to below 2%, many goods and services remain more costly and energy prices and interest rates remain high;
- The cost of living crisis continues with many of our residents and local businesses experiencing financial hardship;
- Whilst there has been a small increase in the number of people unemployed, the labour market remains very competitive and this is reflected in higher prices for services. The council is also continuing to experience difficulty filling some roles in our organisation. A worrying large number of people of working age are economically inactive and not looking for work;
- Capital projects have become more challenging to deliver as a consequence of a number of factors identified above; and
- Whilst the Council is engaged in a range of significant economic development opportunities and is also a key partner in responding to the changes at Tata Steel UK Ltd, the cumulative impact of these developments is challenging to resource.

Service Overviews

Education, Leisure and Lifelong Learning (ELLL) and Schools

This budget provides an investment of £121.129 million into the delegated schools budget and £34.331 million into the ELLL Directorate. This represents an increase of 13.8% for Schools and 3.6% for ELLL compared to the 2024/25 original budget. The investment will be used to:

- Provide education services to circa 22,000 children and young people;
- There is a significant pressure for specialist planned places for children and young people with increasingly complex needs.

These are pupils whose needs cannot be met within a mainstream school and require specialist provision. Additional investment will ensure that pupils will be able to attend the appropriate specialist provision to meet their needs. Currently nearly all specialist provisions are at full capacity. This investment will also reduce the risk of increased costly out of county placements.

- Increased funding in the secondary sector aims to ensure that schools have the appropriate resources to support pupils with additional learning needs to fully engage and that learners are supported to access an appropriate curriculum and interventions to meet their needs.
- Increased demand in support for Attendance and Persistent Absenteeism
- Increased demand in supporting Leadership within our schools at all levels

Social Services, Housing and Community Safety

The budget proposals provide investment of £127.219 million for the Social Services, Housing and Community Safety Directorate, an increase of £13.52million or 11.9% compared with 2024/25. The investment will be used to:

- Support approximately 2,400 vulnerable Children and their families; over 2,500 adults who need care and support; and support over 250 people who are homeless or at risk of becoming homelessness.
- Increase the number of placements available for those with complex needs;
- Maintain a stable workforce in social care;
- Go some way to offsetting the increasing costs in care as a result of inflation and pay awards

Environment and Regeneration

The budget provides £48.705 million for the Environment and Regeneration Directorate, which amounts to an increase of £2.19 million or 4.7%. The investment will be used to:

- Maintain household residual waste collection on a two weekly basis;
- Not introduce black bag collections to replace wheely bins;
- Ensure that green waste collection remains free of charge;
- Protects capacity across the regulatory, regeneration and transport divisions to maintain momentum in delivering on infrastructure and economic development programmes

Despite these investments, the service remains challenging to deliver. The economic focus on NPT has resulted in an increase in grant funding being made available to deliver capital and revenue projects focussed on supporting the economy. Despite this availability, there is still a requirement to prepare and submit compelling business cases as well as resources to deliver the projects, and monitor and evaluate their effectiveness. This comes at a time when it is difficult to recruit and retain qualified and experienced staff which means that the work is being undertaken by a small complement of staff who are juggling multiple complex projects. This is repeated in our regulatory services including planning and environmental health who are also experiencing significant increases in demand with limited resources.

Our assets in terms of property, highways, bridges, structures and drainage infrastructure are also ageing and require more and more investment to maintain the status quo in terms of condition, i.e. to prevent even further deterioration. Construction costs inflation has exceeded budget allocations and as such we are relying upon capital contingency funding to undertake repairs on a more frequent basis. This is likely to continue without additional planned maintenance funding.

Strategy and Corporate Services

The budget provides £18.006m for the Strategy and Corporate Services Directorate. The Directorate has identified the required 5% budget cut from its revenue budget for 2025/26. This budget cut is in addition to years of budget cuts to the enabling corporate services. Despite the above we are confident that we can:

- Maintain sufficient capacity to ensure good governance of the Council;
- Continue to take forward the next phases of the Future of Work and Digital, Data and Technology strategies to develop the capabilities needed to sustain the Council into the future;

- Continue to deliver key projects within the Digital Transformation pipeline to support and improve services across the Authority.
- Strengthen the Authority's approach on procurement

There continues to be an increased demand on all services across the Directorate. Organisation Development and People Management, Legal and Procurement services and Digital Services to drive forward the ambitious transformation of Council services aligned to the priorities of the Corporate Plan.

The remainder of this report now sets out the detail of the final revenue budget proposals for 2025/26 for consideration by the Cabinet.

2025/26 Budget and Funding

	£'000	£'000
2024/25 Budget		376,599
2025/26 Cost Increases		
Specific grants transferred into the settlement allocated to services (Appendix 1)	4,953	
Pay and inflation including changes to national insurance thresholds (Appendix 2)	23,211	
Service pressures and investments in services (see Appendix 3)	14,940	
Total cost increases		43,104
Anticipated specific grant to fund national insurance threshold changes		-5,695
Total Budget Required		414,008
Funded by		
Council Tax 2024/25 level including adjusted council tax base		-91,648
Estimated additional council tax generated from premiums on second homes and long term empty properties		-1,500
Welsh Government funding		-306,217
Discretionary rate relief		388

Total Funding Available		-398,977
Budget Gap		15,031
Savings and income generation proposals (Appendix 4)		-8,133
Use of Education Equalisation Reserve re: delayed home to school transport saving		-500
Remaining budget gap to be funded by Council Tax increase		6,398
Council tax increase expressed as a percentage		7%

Savings and income generation

Over the course of the summer, autumn and winter periods, officers have been working to identify a range of savings and income generation measures that can contribute to closing the budget gap detailed earlier in this report.

The final proposals detailed in Appendix 4 total £8.133m.

Reserves position

The Cabinet agreed a general reserves policy which states that the general reserve balance should be kept at 4% of the net revenue budget. The 2024/25 net revenue budget is currently £376m meaning that the general reserve should be held at c£15m. If these budget proposals are approved the 2025/26 net revenue budget will be £405.3m, meaning that a 4% general reserve balance as at 1st April 2025 would need to be £16.2m.

The latest revenue budget report shows that the general reserve balance is projected to be £15.5m at 31st March 2025. This is below the 4% as per the current policy, the position will need to be reviewed over the remainder of the financial year.

The Director of Finance will also undertake a review of other Council's general reserves policies to ensure that the current policy is broadly in line with comparable sized Councils.

Proposals for council tax in 2025/26

Under the Local Government Finance Act 1992 Council is required to set a balanced budget with regard to the advice of the Director of Finance (Section 151 Officer).

The Welsh Government settlement assumes that all Councils in Wales will increase council tax by 9.3%.

These budget proposals include a recommendation that council tax increases by 7% in 2025/26. Council tax at Band D for 2025/26 would be £2,002.78

Details of the increases by property band are shown below:

Band	No of Dwellings	% in Band	Monthly Increase (12) £	Weekly Increase (52) £
A	13,167	20.32%	7.28	1.68
B	26,571	41.00%	8.49	1.96
C	11,434	17.64%	9.71	2.24
D	7,218	11.14%	10.92	2.52
E	4,413	6.81%	13.34	3.08
F	1,353	2.09%	15.77	3.64
G	526	0.81%	18.20	4.20
H	104	0.16%	21.84	5.04
I	20	0.03%	25.48	5.88

Due to the relative number of properties in bands A-C these proposals represent an **average** increase in council tax of £9.32 per month of £2.15 per week.

The Council Tax Reduction Scheme (CTRS) provides council tax support to approximately 16,000 households within the County Borough, of which approximately 11,000 receive full support and pay no Council Tax. The remaining 5,000 households receive partial support to pay for their Council Tax.

Medium term financial outlook

The current medium term financial outlook for local authorities in Wales is remains challenging.

The UK Government is currently undertaking a spending review (SR) with the results likely to be published in Spring 2025. The Welsh Government have given a commitment to providing Council's with a multi year settlement following publication and consideration of the SR.

The latest Medium Term Financial Plan (MTFP) estimates a three year funding gap for the period 2026/27-2028/29 of c£20m. However this will need to be completely re-cast following the receipt of the estimated multi-year settlement; and taking account latest projected pay, inflation, service pressures and the delivery of the current transformation programmes.

A further update will be presented to Cabinet in due course.

Fees and Charges

The 2024/25 budget setting report included the provision of delegated powers for Corporate Directors to set fees and charges for that year and subsequent financial years (in conjunction with appropriate Members as set out for Executive and Non-Executive functions).

There is therefore no requirement to seek any further delegations as part of these budget proposals.

Crime and Disorder Impact

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

Where there are specific proposals which will impact on crime and disorder, these have been subject to separate public consultation and integrated impact assessments.

Integrated Impact Assessment

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

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

Section 1 of the Equality Act requires that public bodies when making strategic decisions, have due regard to the need to reduce the inequalities of outcome resulting from socio-economic disadvantage.

An integrated impact assessment (IIA) is appended to this report and this provides further detail. The main conclusion from the IIA is that:

A full assessment is not required and in all instances the majority of respondents felt that there would be no impact on anyone with protected characteristics and there would be no impacts on the use of the Welsh Language, Biodiversity and the report embraces the sustainable development principle.

Workforce Impacts

This budget supports the Council’s commitment to social partnership and to maintaining security of employment to the maximum extent possible. The Cabinet members and chief officers have worked closely with the trade unions throughout the budget process to identify savings and income proposals and to lobby both UK and Welsh Governments to prioritise local government within their spending decisions. Staff have also been encouraged to contribute ideas from an early point in the budget process so that everyone has an opportunity to shape the budget proposals.

Legal Impacts

The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out what the council has to base its budget calculations upon, and require the council to set a balance budget with regard to the advice of its Chief Finance Officer (section 151). The council has a legal duty to provide a

range of statutory services and these duties are not absolved if the budget is set late or not agreed

The setting of the budget is a function reserved to full Council, who will consider the draft budget which has been prepared by the Executive.

Once the budget has been agreed by full Council the Executive cannot make any decisions which conflict with it, although variations and year-in-year changes can be made in accordance with the Financial Procedure Rules.

Section 30(6) LGFA 1992 provides that the council has got to set its budget before 11 March in the financial year preceding the one in respect of which the budget is set.

A failure to set or a delay in setting the budget may well affect the council's ability to enter into any new agreements unless the budget is agreed as otherwise these would be potentially unlawful as unfunded commitments. Councils also have increasingly important financial and corporate governance reputations to keep strong and the failure to set a council tax, or even informal references to a potential failure to set a council tax, would be likely to have a significant adverse impact on the council's reputation locally and nationally in terms of investor confidence. The council as a corporate body and the members, both individually and collectively, have a fiduciary duty to council taxpayers to avoid things that would result in loss of revenue or failure to deliver services along with moral and democratic obligations that this brings.

Consultation and Engagement

In November 2024, four pre-consultation engagement events took place to help set out the context in which next year's budget is being set. These were held in Aberafan Shopping Centre (Port Talbot), The Gwyn Hall (Neath), Pontardawe Library and on MS Teams (online).

Cabinet authorised a formal public consultation on 10 January 2025. The consultation ran from 10 to 31 January 2025.

Activities during the consultation period included:

- Online questionnaire - a self-completion questionnaire was published online. Respondents were not asked to identify themselves, but were asked to indicate why they were interested in

the council's budget setting process and their postcode. The survey was designed to include a mixture of both closed and open-ended questions. This allowed respondents to have the opportunity to share additional comments that were not question specific should they wish. The questionnaire was live from Friday 10 January (following Cabinet's approval).

- Offline – paper questionnaires, explainer leaflets, reference copies of the cabinet report dated 10 January 2025 and feedback boxes for completed questionnaires were made available in 42 public facilities across the county borough. These included Civic Centres, council run and community libraries, and Celtic Leisure venues amongst others. All documents were made available in Welsh and English. The questionnaire was a replica of the online version and responses were entered into the survey software for analysis.
- Stakeholder consultation events – this included 4 scrutiny committees, the Town and Community Councils Liaison Forum, Voluntary Sector Liaison Forum and Staff Council.

The consultation was promoted via:

- The council website - homepage (via the 'top tasks' button), consultations page and Let's Keep Talking pages.
- Adverts/posters on TV screens in the Neath and Port Talbot Bus Stations and Neath Train Station.
- Posters, printed questionnaires, an explainer leaflet and feedback boxes at public venues including libraries, Celtic Leisure venues, civic centres and other public buildings.
- The council's corporate social media accounts.
- Press coverage generated by cabinet reports and press releases.
- Internal communications channels (staff notice boards, staff newsletters, NPT Connect - intranet, Viva Engage)
- Members provided with promotional cards which included a QR code to disseminate to constituents.
- NPT Citizens' Panel – an email announcing the start of the consultation and inviting panel members to respond was circulated on 10 January 2025.
- NPT Community of Practice members were asked to circulate information to key stakeholders groups
- NPT News – the council's e-newsletter (January 2025)

Every scrutiny committee also met during the consultation period to review the budget proposals and to offer comment to the Cabinet.

507 people responded to the budget consultation questionnaire. In addition, three written responses were received and there were a further 149 attendees at stakeholder events during the consultation period. A summary of the consultation responses is included within Appendix 7 of this report.

Section 151 Officer Responsibility and Risk Management

Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to report to Council on the “robustness of the estimates” used in calculating the budget requirement.

The Director of Finance has made the necessary enquiries and received assurances from officers that the estimates are prudent and achievable.

There are a number of substantial risks contained within these proposals which will need to be monitored and managed during 2025/26. The following is not an exhaustive list but represents the most significant at this stage:

- Pay awards – If the nationally agreed pay awards exceed the sum allowed in the budget then there will be an additional in year pressure which will need structural base budget funding from 2026/27 onwards.
- The budget assumes that additional costs from changes to National Insurance thresholds will be met in full by Government. Again, if this is not the case this will result in an in year pressure and require structural base budget funding going forward.
- Vacancy factor – if there are insufficient vacancy savings achieved in year and Corporate Directors are not able to identify other savings to make up any shortfall then there is a risk of an in-year overspend. The relative value of the vacancy factor continues to reduce as pay awards continue to increase the pay bill but the vacancy factors remain as fixed amounts.
- There is a risk that the proposed increase in fees and charges will not be achieved if paying customers are below the level anticipated.
- Demand for services may increase.
- Legislative changes – there is a risk that new legislation is not fully funded placing additional pressure on council resources. This would increase the gap over the medium term.
- In-year changes to specific grant funding – if grants are reduced in real terms an in-year adjustment service levels would need to be made to enable activities to be delivered within a lower cost base.
- Ability to deliver WG recycling targets to minimise financial penalties.

- Inclement weather impacts on services, infrastructure, communities and budget/reserves – the Council retains good financial resilience as part of this budget strategy which would mitigate this risk.
- As a consequence of increases in demand there is a risk that the investment proposals being delivered across Social Services and Housing do not deliver the reductions in base budgets required. In addition to the invest to save proposals a range of other strategies will be developed to sustain service delivery without significant disruption to other council services. Whilst this is achievable in the short term, it is unlikely that this will be a sustainable position over the medium term without significant additional government investment.

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

Recommendation

It is recommended that Cabinet having due regard to the integrated impact assessment information set out in appendix 8 consider the following recommendations.

Recommendation 1 - In relation to the proposed revenue budget for 2025/26 approve the revenue budget as set out in appendix 5 of the report.

Recommendation 2 - In relation to the setting of Council Tax levels for 2025/26 Cabinet are asked to commend to Council that:

- Council Tax in 2025/26 will increase by 7%. The 2025/26 Band D equivalent for Neath Port Talbot County Borough Council will be £2,002.78

Reason for Proposed Decision

To fulfil the statutory requirement to determine the budget for 2025/26.

To provide a mechanism for dealing with any variation between the provisional and final Welsh Government settlements

Implementation of Decision

The decision is proposed for implementation after consideration and approval by Council.

Appendices

Appendix 1 – Specific grants transferred into settlement and allocated to service areas

Appendix 2 – Pay and inflation assumptions

Appendix 3 – Services pressures and investments in services

Appendix 4 – Savings and income generation proposals

Appendix 5 – 2025/26 Proposed Revenue Budget

Appendix 6 – Schedule of reserves

Appendix 7 – Summary of consultation responses

Appendix 8 – Integrated Impact Assessment

Background Papers

- Outlook Report – Council 26th July 2024
- Budget Progress Report – Cabinet 2nd October 2024
- Permission to Consult Report – Cabinet 10th January 2025

Officer Contact

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Appendix 1 - Specific grants transferred into settlement and allocated to service areas

Service Area	Grant Detail	£'000
	-	
Schools	Teachers pensions - Specific grant in 2024/25 to fund teachers pension revaluation effective from 1st April 2024	2,805
Schools	Teachers Pay - Specific grant in 2024/25 to fund part year effect of pay award deal effective from 1st September 2024.	839
Housing	Homelessness prevention grants transferred into settlement	1,098
Fire Service Levy	Fire Fighters Pension and pay - Specific grant in 2024/25 to fund fire fighters pension revaluation effective from 1st April 2024	211
Total		4,953

Appendix 2 - Pay and inflation assumptions

<u>2025/26 Pay and inflation assumptions</u>		
	Base Budget	Assumed change
Expenditure head	£	%
Teachers Pay	83,454	3.00%
Non Teaching Pay	193,175	3.00%
Premises costs excluding utilities	11,380	2.00%
Electricity	6,077	-18.50%
Gas	2,195	-14.00%
Home to school transport	10,673	3.50%
Materials	1,959	2.00%
Waste disposal	7,146	2.00%
Other Services (External Domiciliary Care)	12,444	6.73%
Subcontractors	3,168	2.00%
Levies including Fire Authority	10,846	6.30%
Out of county placements	2,963	3.00%
Contribution to third parties	14,947	0.00%
Residential Care	77,468	6.73%
Foster care allowances	6,264	3.00%
Grants and contributions	13,253	0.00%
Bed and breakfast payments	2,633	3.00%
Council Tax Reduction Scheme	20,784	7.00%
Income	-131,859	0.00%

Appendix 3 - Service pressures and investments in services

Summary		£'000
		2025/26
<u>Directorate</u>	-	
Schools	-	2,600
Education, Leisure and Lifelong Learning	-	410
Environment	-	810
Social Services, Housing and Community Safety	-	8,800
Strategy and Corporate Services	-	20
Other / Council wide	-	2,300
Total	-	14,940

Appendix 3 - Service pressures and investments in services

Directorate	Detail	£'000
		2025/26
	-	
<u>Schools</u>	-	
Schools	Welsh Medium Starter School Neath Abbey	350
Schools	Address historical shortfall in teaching assistant funding	750
Schools	Additional investment in schools delegated budget - Secondary schools only	1,500
Total Schools		2,600
<u>Education, Leisure & Lifelong Learning (ELLL)</u>		
Additional Learning Needs	Additional funding required to fund current out of county placements	350
Project Development and Funding	Additional funding to increase capacity by one post in the project development and funding team	60
Total ELLL		410

Appendix 3 - Service pressures and investments in services

Directorate	Detail	£'000
		2025/26
<u>Environment (ENV)</u>		
Environment general	Base budget funding for posts previously funded from service resilience reserve	500
Environment general	Increase in resources to additional supplies and services	200
Environmental Health	Funding to increase capacity in Environment Health team by two posts	110
Total ENV		810
<u>Strategy and Corporate Services</u>		
Communications and Marketing	Additional funding for resources	20
Total Strategy and Corporate Services		20

Appendix 3 - Service pressures and investments in services

Directorate	Detail	£'000
		2025/26
<u>Social Services, Housing and Community Safety (SSH&CS)</u>		
Adult Services	Increase in base budget to meet current cost	5,700
Adult Services	Further additional Increase in base budget to meet current cost	2,000
Housing and Homelessness	Increased cost of provision	1,100
Total SSH&CS		8,800
<u>Other / Council Wide</u>		
General Contingency	Increase in general contingency budget	300
Pay and prices contingency	Contingency to cover general pressures on pay and prices	2,000
Total Other		2,300
Grand total service pressures investments		14,940

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
ELLL	Chris Saunders	ELLL-A	ES&W	Margam Country Park	Staff changes and reductions of 1FTE. Driving income through improvements to the car parking arrangements and the programme of events.	Potential redundancy. Weather associated risks associated with achieving increased income. Impact of Eisteddfod and associated fallow/ build period. Utility costs remain high.	150,000
ELLL	Chris Saunders	ELLL-B	ES&W	Pontardawe Arts Centre	New cinema and improved catering arrangements	Potential overrun of the capital project to build the new cinema and cafe.	40,000
ELLL	Chris Saunders	ELLL-C	ES&W	Indoor leisure	Indoor Leisure - trading improvements & cost reduction	Final contract fee arrangements with Celtic Leisure still to be agreed given the Budget announcements regarding the treatment of National Insurance in particular.	175,000
ELLL	Chris Saunders	ELLL-D	ES&W	Indoor Leisure	Temporary estimated full year saving from the closure of Pontardawe Swimming Pool on Health and Safety grounds.	Short/medium term saving. This figure should be treated with caution until the full extent of the effect of retained/ defrayed income is known	233,250
ELLL	Chris Saunders	ELLL-E	ES&W	Aberafan Seafront	Additional/funfair and events	Market appetite established. Risks remain around the need for planning permission and tendering.	25,000
ELLL	Chris Saunders	ELLL-F	ES&W	Education Learning Resource Service	Increased income target	This requires a reset within the service and requires a focus on commercial activity.	10,000
ELLL	Chris Saunders	ELLL-G	ES&W	Libraries	Reduce resources budget - stop purchase of DVD's	Minimal	10,000
ELLL	Rhiannon Crowhurst	ELLL-I	ES&W	Primary school cleaning	Full cost recovery - Increase cleaning recharge to schools phased over two years	This strategy depends on what is agreed in relation to the delegated schools budget.	150,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
ELLL	Rhiannon Crowhurst	ELLL-J	ES&W	Education Support Services	Reducing hours and service remodelling	Flexible retirement requests (if granted) can be mitigated for; grant funding used to cover core posts - there is a risk that the grant funding will not be renewed leading to future capacity pressures in key strategic service areas; compulsory redundancy will cause pressure on services which can only partially be mitigated for in the short term through work being picked up by existing staff, and which might lead to future pressures	80,000
ELLL	Chris Millis	ELLL-K	ES&W	Education Development Service	Reduce staff costs/offset against specific grant	If the grant were to cease or the member of staff were to return from the secondment before the end of the grant's terms of conditions	25,000
ELLL	Andrew Thomas	ELLL-L	ES&W	Pension & Early Retirement	Core budget requirement has reduced	No impact	15,000
ELLL	Hayley Lervy	ELLL-M	ES&W	Education Psychology Service	Offset costs against grant	Reducing an educational psychologist's (EP) contract from 80% to 50% significantly impacts the service's ability to support children, families, and schools. It reduces capacity for timely assessments, interventions, and consultations, delaying the identification of needs and early intervention that are critical for addressing learning, behavioural, and emotional challenges. This increases pressure on schools and other staff, and risks fragmented support due to reduced multi-agency collaboration.	9,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
						The strain on remaining EPs may diminish service quality, jeopardizes compliance with statutory requirements, risks legal challenges, and compromises outcomes for vulnerable children, ultimately creating greater long-term costs.	
ELL	Hayley Lervy	ELLL-N	ES&W	Specialist Commissioning for Schools	This saving will be for one year only. Occupational Therapy post commissioned from Health will be funded from reserves instead of core.	This post will be to support secondary schools in building capacity to support pupils with social, emotional and behavioural difficulties. This is a rising area of need, this work supports emotional regulation and has been highlighted as good practice by Welsh government. The post holder will be seconded to undertake this work and back-filled. This work will be halted if not funded.	55,000
ELLL	Hayley Lervy	ELLL-O	ES&W	Learning Difficulty Team	Staff costs offset against grant funding.	Any ceasing or reduction of grant will impact on service delivery, as numbers of pupils with complex needs and demands on the service continue to increase. If we cannot depend on grant money to fund, this would impact on both service delivery and on schools' ability to support pupils needs.	12,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
ENV	David Griffiths	ENV-A	ERSS	SAB & Highway Development Control	Increase in fees and charges	Increased inspection fees could deter developers from progressing development in the County Borough.	11,000
ENV	David Griffiths	ENV-B	ERSS	Transport Support	Reduction on the Council revenue spent on local bus support and utilising Welsh Government grants only to support the bus network.	Risk of criticism as LA will no longer be supporting local bus network financially with own revenue.	75,000
ENV	David Griffiths	ENV-C	ERSS	Community Services Transport Unit	Cutting on call rota saving £10,000 and relying instead on private transport providers	The impact will be no out of hours service support. Mitigation is that Emergency Planning and Social Services can be supplied with contact details for external transport contractors directly to undertake emergency transport as necessary.	10,000
ENV	David Griffiths	ENV-D	ERSS	Transport Management	Increase in charges to external organisations using the councils fleet repair services	Client organisations may take their business elsewhere impacting on the income streams currently achieved.	6,200
ENV	David Griffiths	ENV-E	ERSS	Transport Maintenance	Additional External Income.	Client organisations may take their business elsewhere impacting on the income streams currently achieved.	1,800
ENV	David Griffiths	ENV-F	ERSS	Road Safety	Increased charges on training courses provided to external organisations.	Could result in less organisations utilising Council operated training services.	14,000
ENV	David Griffiths	ENV-G	ERSS	Maintenance - Bridges	Reduction of the maintenance budget which is relied upon for bridge inspection works and regular small scale maintenance. The budget also covers retaining structures.	Assets will continue to deteriorate and repairs will in the longer term be more expensive.	28,000
ENV	Nicola Pearce	ENV-H	ERSS	Corporate	Savings to budget as the reimbursements required by City and County of Swansea Pension Fund gradually decrease.	No impact	42,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
ENV	Michael Roberts	ENV-I	ERSS	Maintenance - NetMan	Reduce Asset Surveys budget from £98K to £87K.	With reducing budget and increasing costs over time there will be a less accurate asset inventory and condition data on which to base highway asset management decision making.	11,000
ENV	Michael Roberts	ENV-K	ERSS	Maintenance - Day to day	Increase fees and charges for use of the highway by 10% or in line with Swansea whichever is the greater to increase income by £50K.	No significant risk regarding fees and charges as they will still be similar to other councils.	178,000
					Reduce day to day works budget allocations for road assets - markings, signs, speed cushions, safety fences, cattle grids and the like by £105K plus reduce the consultancy support budget used for drainage feasibility work by 50% saving £25K.	Less work will be undertaken on the highway network and the reduction in the consultancy budget will impact on the council's ability to draw on specialist advisors to support grant bids in the future.	
ENV	Michael Roberts	ENV-L	ERSS	Lighting Services	Start street lighting dimming earlier at 22.00hrs as opposed to 01.00hrs - Lighting would dim earlier and higher profile (£22k)	Lighting would dim earlier and could have a higher public profile	30,000
					Trim' lights to shorten 'on-time' by some 20 mins per day, with around a 10 minute saving at start and end of each night time but remaining compliant with the ILP guide suggests these values can be lowered to 20 and 10 lux respectively. (£8k)	Lighting would be turned on slightly later and off slightly earlier and could have a higher public profile	
ENV	Michael Roberts	ENV-P	ERSS	Cemeteries	Increase in fees and charges associated with cemeteries to more align with those set by Bridgend CBC.	Significant increases in fees would likely bring discontent from the bereaved	24,000
ENV	Ceri Morris	ENV-Q	ERSS	Pest Control	Delivered through increased income target. Potential to achieve without increasing fees.	In light of current levels of service demand / performance of the Pest Control team, there is the potential to achieve this increased income target	9,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
						without increasing fees. Impact should therefore be minimal.	
ENV	Ceri Morris	ENV-R	ERSS	Pollution Control (Including Giants Grave Land Fill)	Delivered through [1] recharging of officer time where appropriate and reduction of the materials budget for Giants Grave	Impact on Development Management service (through planning consultations) will be absorbed – any costs can be clawed back through PPAs. Impact should therefore be minimal.	11,000
ENV	Ceri Morris	ENV-S	ERSS	Development Management	Trimming of the following budget lines: [1] statutory advertising (£2,869); [2] other advertising (£3,162); and [3] professional fees (£10,000)	Will result in reduced ability to commission external consultants/specialists to assist with DM caseload.	16,031
ENV	Ceri Morris	ENV-T	ERSS	Policy	Trimming of professional fees budget line. Will result in reduced ability to commission external consultants to assist with the LDP work programme.	Will result in reduced ability to commission external consultants to assist with the LDP work programme. This will lead to the requirement for more inhouse work, creating additional pressure on a small team of officers. Any further cuts may result in the Authority having an unsound plan due to the level of evidence that is required to meet the LDP Regulations.	24,547
ENV	Ceri Morris	ENV-U	ERSS	Countryside	Delivered through [1] increase in income generation from fees for Statutory Orders (£2,500); [2] reduction in advertising budget (£5,000); and [3] reduction in expenditure of 'Other Services' budget line (£6,909)	This will reduce ability to replace larger Wales Coast Path infrastructure such as gates and bridges. Further cuts to this budget line in the future could result in more path closures due to unsafe structures, reducing the ability to deliver our statutory function.	14,409

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
ENV	Ceri Morris	ENV-V	ERSS	Biodiversity, Countryside & Wildlife Projects	Delivered through [1] reduction in expenditure (£8,000); and [2] increased income generation target over and above existing target (£6,695)	Continued cuts to the expenditure budget line will eventually undermine ability to work safely and ensure we have the correct/necessary equipment to deliver services.	14,695
ENV	Ceri Morris	ENV-W	ERSS	Building Control/Regulations	Delivered through a combination of [1] the removal of Dangerous Structures out of hours cover (£11,000); [2] reduction of the 'Works in Default' budget line (£3,000); and [3] reduction in car allowance budget line (£1,000).	Removal of Dangerous Structures comes at possible risk to public safety. Even though the council has powers to act, this is not specific in carrying that out 24/7. However, there are councils that do not provide cover out of hours. In respect of the 'Works in Default' budget, generally this is adequate as all attempts are made to recover costs. However, there are occasions whereby we need to carry out work where no owner of the building/structure can be established and cost recovery is not possible. While the budget could be reduced by £3,000, this will place additional reliance upon the Capital programme contingency fund.	14,970
ENV	Simon Brennan	ENV-AA	ERSS	Civic buildings	Increased income from the lease of floorspace within the Quays and possible changes to the Concierge/ facilities site officer roles.	This will increase the potential for damage/theft at The Quays but this will be mitigated by the presence of CCTV. It will also require changes to the way the staff (and any Gold command use) access the facility 'out of hours.	150,000
ENV	Simon Brennan	ENV-AB	ERSS	Former Metal Box building	Changes to the management of the facility.	The changes will potentially make the available space less attractive to potential occupiers	135,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
Page 53 S&CS	Chris Owen	S&CS-A	CF&SL	Digital Services	Post reduction - 3 x Senior Infrastructure Operations Engineer (Grade 8) Voluntary Redundancy	The reduction of these posts within the team will lead to a redistribution of work across the remaining team, and monitoring will be in place to ensure that workloads remain manageable. Having fewer numbers in the team will also lead to slower response times to resolve issues and on the time taken to deliver on Strategic Initiatives and projects.	156,906
					Post reduction Grade 9 - Voluntary Redundancy	Discussion are on-going to confirm a Voluntary Redundancy however the impact of losing any post will impact our ability to maintain the current level of service delivery as we strive to drive forward the strategic objectives set in our new digital strategy, operational efficiency, and service delivery of the council.	58,204
					Post reduction Grade 5 - Voluntary Redundancy	Discussion are on-going to confirm a Voluntary Redundancy however the impact of losing any post will impact our ability to maintain the current level of service delivery as we strive to drive forward the strategic objectives set in our new digital strategy, operational efficiency, and service delivery of the council.	39,050

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
					Reduced working hours - 1 x Senior Infrastructure Operations Engineer (Grade 8)	The reduction in working time for this post will lead to a redistribution of work across the remaining team, and monitoring will be in place to ensure that workloads remain manageable. Having fewer numbers in the team will also lead to slower response times to resolve issues and on the time taken to deliver on strategic Initiatives and transformation projects.	9,895
S&CS	Chris Owen	S&CS-B	CF&SL	Digital Services	Mobile phone contract changes	No disruption to service, some additional reporting to management to ensure data usage controls	20,000
S&CS	Chris Owen	S&CS-C	CF&SL	Digital Services	Provide Barrier Access and AI Monitoring for SRC	There is potential that the CCTV service could provide a managed barrier access control at the main gate of the SRC. This would provide income to the service. Potentially reducing operating costs within the SRC due to improved access control measures. Reduce potential site thefts of equipment. It should be noted there will be an infrastructure cost to implementation.	10,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
S&CS	Chris Owen	S&CS-S	CF&SL	Digital Services	Hardware and Software	<p>The reduction in the budget on hardware and software can lead to outdated technology, resulting in slower performance, increased downtime, and reduced productivity. This can hinder the ability of employees to perform their tasks efficiently and meet business objectives.</p> <p>Insufficient funding for new technologies can stifle innovation and prevent the council from adopting cutting-edge solutions that support service transformation and we will need to explore alternative ways of financing these investments via the capital programme.</p> <p>On-going under investment in hardware can affect the quality and speed of customer service, leading to dissatisfaction and increased complaints and increase pressure in other service areas who require hardware / software to undertake their business function.</p>	140,000
						<p>We will work on developing plans to increase support available to COMAH sites as we look to increase fees and we will consult. It must also be noted</p>	3,046
S&CS	Sheenagh Rees	S&CS-F	CF&SL	Emergency Planning Team	Increase COMAH (Control of Major Accident Hazards) SLA (Service Level Agreement) income		

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
						that by 2027 / 2028 we anticipate loss of TATA income.	
S&CS	Sheenagh Rees	S&CS-G	CF&SL	Emergency Planning Team	Temporary change in team structure (flexi retirement / succession planning)	This is for one year only and we will need to review this structure for future years.	11,500
S&CS	Sheenagh Rees	S&CS-I	CF&SL	Policy & Executive Support	Delete vacant hours @ GR 8	Workload will be redistributed and monitored to ensure workloads remain manageable.	10,000
S&CS	Sheenagh Rees	S&CS-J	CF&SL	Human Resources	Service Remodelling of the HR Team. Delete 0.6 FTE Voluntary Redundancy	As a result of this reduction in staffing, coupled with increased demands for services and our proposed longer term strategic approach to the service that the HR team will deliver in future, we will mitigate these risks with increased use of technology, we are piloting Co-pilot to remove work from the team and make our processes as efficient as possible.	32,512
S&CS	Sheenagh Rees	S&CS-T	CF&SL	Corporate Strategy	Software	No significant impact or risk associated with this.	7,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
S&CS	Craig Griffiths	S&CS-L	CF&SL	Legal and Democratic Services	Service Remodelling through Voluntary Redundancy	The deletion of the Mailroom Supervisor post (who will be departing in March 2025) will result in increasing supervision responsibilities for the Business Support Manager, who will now supervise the service directly. The officer who will be departing is currently coordinating the majority of FOI requests and this work will be re-distributed amongst the remaining team; we will monitor workloads to ensure that they remain manageable and additional members of staff are being trained to help manage the consideration of Freedom of Information requests to ensure the statutory obligations continue to be met..	39,050
S&CS	Craig Griffiths	S&CS-M	CF&SL	Legal and Democratic Services	Service Remodelling through Voluntary Redundancy of Solicitor	Less of a dedicated resource for a specific area of education law provision from January 2025 onwards but workload will be incorporated amongst other teams/fee earners. This will ensure that resilience can also be included within the service to ensure that more than one officer will have experience of this type of work. This does place additional pressure on officers to meet additional demands for work but this will be monitored through regular supervision to ensure	63,848

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
						work commitments are not too unmanageable.	
S&CS	Craig Griffiths	S&CS-N	CF&SL	Legal and Democratic Services	Income Generation	To be achieved through legal work and democratic services support associated with Celtic Freeport and other such projects and offering procurement support work to town and community councils. This does place additional pressure on officers to meet additional demands for work but this will be monitored through regular supervision to ensure work commitments are not to unmanageable.	20,000
S&CS	Craig Griffiths	S&CS-O	CF&SL	Legal and Democratic Services	Reprofiling of funding from Corporate Joint Committee	To be achieved through allocating contributions received to specific posts and funding as opposed to generic usage. Funding was being used to support succession planning through recruitment of trainee solicitors but this will have to stop and use to underpin service. The ability to recruit junior staff to plan for the time when postholders retire/leave the Council will have to temporarily cease until new funding streams can be identified. To counteract this, steps will be taken to provide training to officers in other areas to enable service continuity and resilience to be met.	20,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
S&CS Page 59	Craig Griffiths	S&CS-P	CF&SL	Legal and Democratic Services	Amendment of Service Delivery in Mail Room	Service Recharges to outside organisations who utilise the mailroom facilities (i.e. trade unions) will be increased to ensure full cost recovery i.e. staff time in processing, stationery costs, full postage costs (however this will continue to remain discounted to direct postage). At present a small percentage of fees are not being recovered as part of overhead costs, this will be reflected in fees and charges. Hire Car costs will be reduced as part of renewal of vehicle and less demand with increased reliance on pool cars as an alternative. All changes will not have a detrimental impact on service delivery. Volume of mail is decreasing but at the same time the service transforming delivery to ensure more digital solutions are offered to negate courier runs.	15,000
S&CS	Craig Griffiths	S&CS-Q	CF&SL	Legal and Democratic Services	Reduction in legal services resources	There will be a reduction to one of our subscriptions which will remove access to precedent documents and specific legal updates. Information will still be readily available from other sources however it will require additional time to research without information be readily available. Consideration of this has been given to legal officers who understand the need to ensure savings can be realised. Training has also been	10,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
						undertaken with other subscriptions to ensure officers know where to locate information which would be relevant to their service area.	
S&CS Page 60	Craig Griffiths	S&CS-U	CF&SL	Legal and Democratic Services	Electoral Services - General Office Expenses	At present, the Elections Registration Team hold budgets for general office expenses such as stationery, printing, posting. An evaluation of budgets have suggested those figures can be reduced without any detrimental impact. 2025/2026 does not currently have an election planned but onward consideration will be given for 2026/2027 and future years as we coordinate Senedd Elections and Local Government Elections and will be included as part of cost recovery from Welsh Government or utilisation of general reserves to fund any gap.	10,000
S&CS	Craig Griffiths	S&CS-V	CF&SL	Legal and Democratic Services	Democratic Services - General Office Expenses	At present, the Democratic Services team hold budgets for general office expenses such as stationery, printing, posting. An evaluation of budgets have suggested those figures can be reduced without any detrimental impact	1,246
Finance	Huw Jones	FINC-A	CF&SL	Finance Division	Contract saving from re-tendered insurance contracts	No risk	158,000
Finance	Huw Jones	FINC-B	CF&SL	Finance Division	Service remodelling of financial services	Minimal risk	73,400

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
SSH&CS	Chele Zandra Howard	SSH&CS-A	SSH&CS	Housing & Communities	Reducing the costs of providing homelessness services through service redesign and preventing people from requiring temporary accommodation	The demand for temporary accommodation will continue to rise	112,000
SSH&CS	Keri Warren	SSH&CS-B	SSH&CS	Children & Young People Services	Natural reduction in the number of non-looked after children (LAC) allowances (Residence Orders, Special Guardianship Order (SGO) & Adoption Allowances)	If the number of SGO/Adoption allowances increase there will be limited scope to provide financial support to new SGO Carers & Adoptive Parents.	232,000
SSH&CS	Keri Warren	SSH&CS-C	SSH&CS	Children & Young People Services	Review of Children Services structure and a reduction of posts where appropriate	Any reduction in staffing levels could create instability and will effect the Service's ability to manage demand.	386,000
SSH&CS	Keri Warren	SSH&CS-D	SSH&CS	Children & Young People Services	Fostering Service - Reduction in budget for in-house allowances, external agency costs & Carer travel	Historically the underspend for in-house allowances has offset the overspend in external residential provision. This would no longer be an option so there would be continued pressure to reduce the numbers of children in residential care. Also any changes in relation to the harmonisation of fostering allowances/fees across Wales would be a potential risk as there would be limited scope to increase rates.	630,000
SSH&CS	Keri Warren	SSH&CS-E	SSH&CS	Children & Young People Services	Income Generation - provide fostering placements to neighbouring LA's	Any impact or risks will be effectively managed by the Fostering Service to ensure it will not impact on the capacity and demand in NPT.	52,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
SSH&CS	Keri Warren	SSH&CS-F	SSH&CS	Children & Young People Services	Health visitor post	n/a - vacant post	21,000
SSH&CS	Keri Warren	SSH&CS-G	SSH&CS	Children & Young People Services	Reduce Section 17 (S17) discretionary spend budget	Reduced scope to fund S17 related provisions, items etc.	50,000
SSH&CS	Keri Warren	SSH&CS-H	SSH&CS	Children & Young People Services	Reduction in the number of Looked After Children Taxi Routes	Less contingency if the demand for transport increases	21,200
SSH&CS	Angela Thomas	SSH&CS-I	SSH&CS	Adult Services	Direct Payments (DP) whole system review (inc Payroll and Suitable Person service).	Any impact of risks will be effectively managed by Adult Services to ensure it will not impact on capacity and demand. Positive impact of promoting an individual's ability to access prevention and early intervention services.	250,000
SSH&CS	Angela Thomas	SSH&CS-J	SSH&CS	Adult Services	Develop provision for Complex Care (Mental Health, Learning Disabilities, Neurodivergent) to include both Capital and Revenue investment. This Transformation Programme will allow placements to be delivered in house and in county with less restrictive models of care..	Ability to deliver savings within required timescales. Will require a whole council approach to identify suitable land, planning permission, and work with the capital programme which is under significant pressure.	2,000,000
SSH&CS	Angela Thomas	SSH&CS-L	SSH&CS	Adult Services	Outcome focussed reviews of supported living schemes and residential care. Using opportunities to share care and access community services to reduce costs	Service user willingness to accept new models of care	650,000
SSH&CS	Angela Thomas	SSH&CS-M	SSH&CS	Adult Services	Review of Domiciliary Care calls, sit in services and wakeful/sleep-in support to develop alternative models	Families and service users anxieties to changes in care provision	500,000
SSH&CS	Angela Thomas	SSH&CS-O	SSH&CS	Adult Services	Implement Trem y Glyn Reablement Capacity. NPT residents will have access to a bedded reablement facility to enable their independence to be maximised.	Risk of delay in achieving full capacity of reablement beds.	260,000

Appendix 4- Savings and income generation proposals

Directorate	Chief Officer	Reference	Scrutiny Committee	Service Area	Description of how budget reduction will be delivered	Risks and Impact	£
SSH&CS	Angela Thomas	SSH&CS-P	SSH&CS	Adult Services	Review of Adult Services structure and a reduction of posts where appropriate	Any reduction in staff will be via vacancy management .	250,000
Total							8,132,759

Appendix 5 – Proposed 2025/26 Revenue Budget

Neath Port Talbot County Borough Council		
2025/26 Proposed budget and financing		
	2024/25	2025/26
	Original Budget	Original Budget
	£'000	£'000
Delegated Schools	106,458	121,129
Education, Leisure and Lifelong Learning	33,125	34,331
Social Services, Housing and Community Safety	113,699	127,219
Environment	46,515	48,705
Strategy and Corporate Services	21,366	18,006
Finance	0	4,573
	321,163	353,963
Levies		
Swansea Port Health Authority	46	37
Corporate Joint Committee Levy	127	114
Fire Authority	10,799	11,479
Fire Authority - pension grant	-230	0
Margam Crematorium	1	1
	10,743	11,631
Contributions		
Archive Service	106	106
Magistrates Court	10	10
	116	116
Other Expenditure		
Treasury Management / Capital Financing	19,603	19,982
Council Tax Support	20,784	22,239
Pay Contingency - General	2,238	2,000
2024/25 Pay Contingency - Schools	1,577	0
General Contingency	375	1,138
Assumed grant towards National Insurance costs		-5,695
	44,577	39,664
NET REVENUE BUDGET	376,599	405,374
Funded by:		
Aggregate External Finance	285,594	306,217
Discretionary Rate Relief	-389	-388
Council Tax - Neath Port Talbot	91,393	99,545
TOTAL FUNDING	376,599	405,374

Appendix 6 – Schedule of Reserves

Description	Reserve Balance at 1st April 2025 £	Original Budget Reserves 2025/26 £	Current Projected Balance @ 31st March 2026 £
<u>Education, Leisure and Lifelong Learning</u>			
<u>Delegated Schools Reserves</u>			
Primary Schools	4,836,074	0	4,836,074
Secondary Schools	93,299	0	93,299
Special Schools	Cr171,130	0	Cr171,130
Middle School	3,050,551	0	3,050,551
Repair & Maintenance	Cr161,160	0	Cr161,160
	7,647,633	0	7,647,633
<u>Education, Leisure and Lifelong Learning Other</u>			
Additional Learning Needs Reserve	Cr1,023,000	175,000	Cr848,000
Equalisation Account-Education	Cr1,259,690	363,101	Cr896,589
	Cr2,282,690	538,101	Cr1,744,589
Total Education Leisure & Lifelong Learning	5,364,943	538,101	5,903,044
<u>Social Services, Health and Housing</u>			
Community Care Transformation Reserve	Cr35,182		Cr35,182
SSHH IT Renewals Fund	Cr700,000		Cr700,000
Housing Warranties Reserve	Cr220,000		Cr220,000
Hillside General Reserve	Cr575,021		Cr575,021
Ring Fenced Homecare Funding	Cr16,149		Cr16,149
Youth Offending Team Reserve	Cr167,897		Cr167,897
Total Social Services, Health and Housing	Cr1,714,249	0	Cr1,714,249
<u>Environment</u>			
Transport Reserve	Cr540,173		Cr540,173
Asset Recovery Incentive Scheme	Cr87,893		Cr87,893
Swansea Bay City Deal	Cr264,500		Cr264,500

Appendix 6 – Schedule of Reserves

Description	Reserve Balance at 1st April 2025 £	Original Budget Reserves 2025/26 £	Current Projected Balance @ 31st March 2026 £
Local Development Plan	Cr278,550	76,787	Cr201,763
Parking Improvement	Cr33,350	30,500	Cr2,850
Waste Reserve	Cr518,603		Cr518,603
Winter Maintenance Reserve	Cr668,429		Cr668,429
Neath Market	Cr253,106		Cr253,106
Baglan Bay Innovation Centre - Dilapidation Reserve	Cr77,517		Cr77,517
Renewable Energy Reserve	Cr24,162		Cr24,162
Environmental Health - Housing Equalisation	Cr36,699		Cr36,699
Environment Equalisation Reserve	Cr2,004,484	324,790	Cr1,679,694
Pantteg Landslip Reserve	Cr375,961		Cr375,961
Metal Box Reserve	Cr403,825		Cr403,825
<u>Trading Account</u>			
Operating Account - Equalisation	Cr36,043		Cr36,043
Vehicle Tracking	Cr82,686		Cr82,686
Vehicle Renewals	Cr5,779,797	Cr1,333,971	Cr7,113,768
Total Environment	Cr11,465,778	Cr901,894	Cr12,367,672
<u>Strategy and Corporate Services</u>			
Elections Equalisation Fund	Cr75,238	Cr15,000	Cr90,238
Health & Safety/Occupational Health	Cr40,501		Cr40,501
Digital Transformation Reserve	Cr1,170,000	266,367	Cr903,633
Digital Reserve	Cr533,893	292,160	Cr241,733
Schools IT Equalisation (HWB)	Cr400,000		Cr400,000
Chief Executives Equalisation Reserve	Cr151,328	50,000	Cr101,328
Organisational Development Reserve	Cr2,941,024	352,000	Cr2,589,024
Building Capacity	Cr107,295		Cr107,295
Financial Services Equalisation	Cr78,000	78,000	0

Appendix 6 – Schedule of Reserves

Description	Reserve Balance at 1st April 2025 £	Original Budget Reserves 2025/26 £	Current Projected Balance @ 31st March 2026 £
Total Strategy and Corporate Services	Cr5,497,279	1,023,527	Cr4,473,752
<u>Corporate Other</u>			
Insurance Reserve	Cr3,885,382	280,000	Cr3,605,382
Income Generation Reserve	Cr113,230		Cr113,230
Corporate Contingency	Cr1,927,547	1,542,862	Cr384,685
Transformation and Modernisation	Cr2,178,975	1,542,460	Cr636,515
Capital Support Reserve	Cr683,447		Cr683,447
Covid Recovery	Cr243,000	170,000	Cr73,000
Treasury Management Equalisation Reserve	Cr9,652,687		Cr9,652,687
Hardship Relief Scheme (Warm Wales)	Cr550,000		Cr550,000
Discretionary Fund	Cr100,000		Cr100,000
Accommodation Strategy	Cr2,319,722		Cr2,319,722
Total Corporate Other	Cr21,653,990	3,535,322	Cr18,118,668
<u>Joint Committee</u>			
Margam Discovery Centre - Building Maintenance Reserve	Cr231,773	Cr57,333	Cr289,106
Environment Legacy Reserve (SWTRA)	Cr259,728		Cr259,728
Substance Misuse Area Planning Board	Cr373,326		Cr373,326
WB Safeguarding Board Reserve	Cr88,014		Cr88,014
Total Joint Committee	Cr952,841	Cr57,333	Cr1,010,174
Total All Earmarked Reserves	Cr35,919,194	4,137,723	Cr31,781,471
General Reserve	Cr15,449,692	0	Cr15,449,692
TOTAL ALL RESERVES	Cr51,368,886	4,137,723	Cr47,231,163

Appendix 7 - Summary of consultation responses

Draft Budget 2025-26

Consultation Summary Report

1.0 Background

1.1 On 10 January 2025, Cabinet authorised officers to consult members of the public on the Draft Budget Proposals for 2025-26. The public consultation followed four pre-consultation engagement events in Aberafan Shopping Centre, The Gwyn Hall, Neath, Pontardawe Library and on MS Teams to help set out the context in which next year's budget is being set. These took place in November 2024.

1.2 The consultation objectives were to:

- provide a mechanism for people to contribute their views to the budget setting process.
- find out if people agree or disagree with the draft budget which included a number of savings and income generation measures.
- provide an opportunity for people to share any other views on our Draft Budget 2025-26 (e.g. to comment on any of the specific proposals detailed in the cabinet report).
- provide an opportunity for participants to share their view on a proposed Council Tax increase of 7%.
- provide a mechanism for people to share any other suggestions they might have on how the council can generate income and/or reduce the budget gap.
- ensure that the consultation was available to as many residents and organisations as possible.

2.0 The Consultation Process

2.1 A range of engagement and consultation activities took place to gather feedback to help inform the 2025-26 budget setting process, as follows:

Date	Activity	No. of people Reached
10.1.25-31.1.25	Online questionnaires and paper versions with feedback boxes in 42 public venues	507 responses
10.1.25-31.1.25	Responses via letter/email/on behalf of organisations	2 responses
10.1.25-31.1.25	Stakeholder consultation: <ul style="list-style-type: none">• Community, Finance and Strategic Leadership Scrutiny Committee 13.1.25 (20)• Staff Council 13.1.25 (17)• Social Services, Housing and Community Safety Scrutiny Committee 14.1.25 (18)• Education, Skills and Wellbeing Scrutiny Committee 16.1.25 (21)• Environment, Regeneration and Streetscene Services Scrutiny Committee 17.1.25 (13)	149 attendees

Appendix 7 - Summary of consultation responses

- Voluntary Sector Liaison Forum 21.1.25 (37)
- Town and Community Councils Liaison Forum 27.1.25 (23)

TOTAL

659

- 2.2 The consultation was promoted via:
- The council website - homepage (via the 'top tasks' button), consultations page and Let's Keep Talking pages.
 - Adverts/posters on TV screens in the Neath and Port Talbot Bus Stations and Neath Train Station.
 - Posters, printed questionnaires, an explainer leaflet and feedback boxes at public venues including libraries, Celtic Leisure venues, civic centres and other public buildings.
 - The council's corporate social media accounts.
 - Press coverage generated by cabinet reports and press releases.
 - Internal communications channels (staff notice boards, staff newsletters, NPT Connect - intranet, Viva Engage)
 - Members provided with promotional cards which included a QR code to disseminate to constituents.
 - NPT Citizens' Panel – an email announcing the start of the consultation and inviting panel members to respond was circulated on 10 January 2025.
 - NPT Community of Practice members were asked to circulate information to key stakeholders groups
 - NPT News – the council's e-newsletter (January 2025)

3.0 Main Findings from questionnaire on Draft Budget Proposals 2024-25

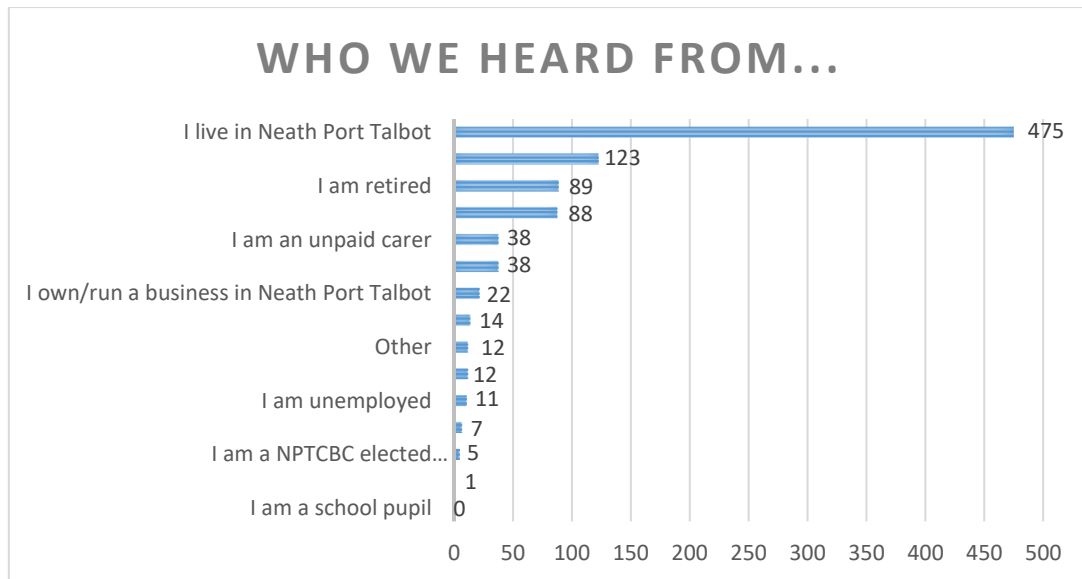
- 3.1 The survey was designed to include a mixture of both closed and open-ended questions. This allowed respondents to have the opportunity to share additional comments that were not question specific should they wish. These comments are summarised within the report and raise some important areas for consideration.
- 3.2 This report summarises the findings from the online questionnaire. A total of 507 questionnaires were completed during the consultation period (10.1.25 – 31.1.25). 505 were completed in English and 2 in Welsh, with 496 responding online and 11 via printed questionnaires.

Appendix 7 - Summary of consultation responses

3.3 Summary of responses to main questions

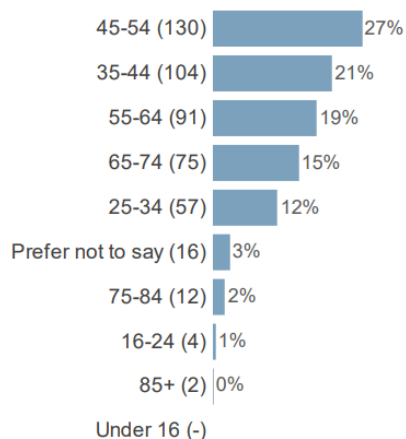
Graphics are used in this report. Where percentages do not add to 100, this may be due to rounding to the nearest whole number, the exclusion of “don’t know” categories, or multiple answers.

3.4 Demographic profile

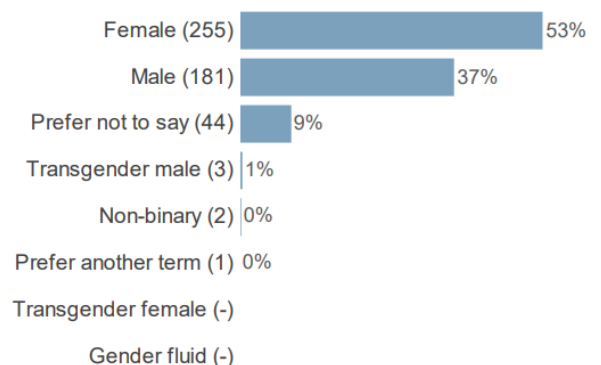


The graph above shows the number of participants taking part from each section of the community. 505 participants completed this question in the survey with 94% of respondents being residents of NPT.

Age: What is your age group?

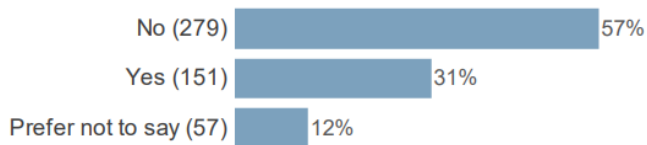


Sex: How would you describe yourself?

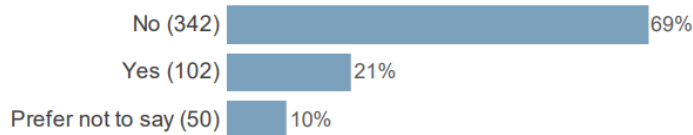


Appendix 7 - Summary of consultation responses

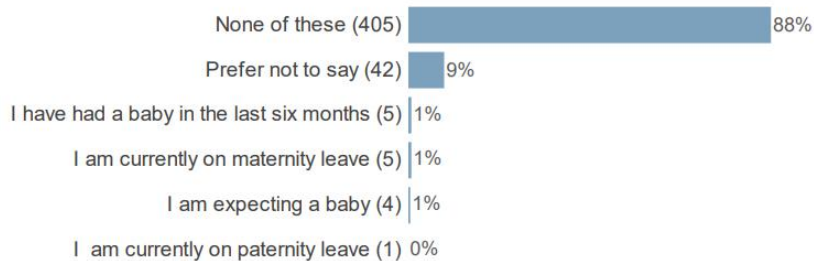
Caring Responsibilities: Do you provide regular, unpaid, substantial care for a relative, friend or neighbour who is unable to manage at home without help because of sickness, age or disability? (please tick only one)



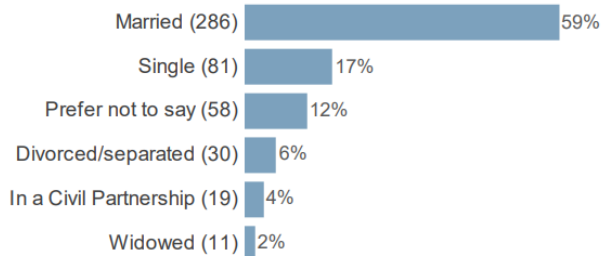
Do you consider yourself to have a disability?



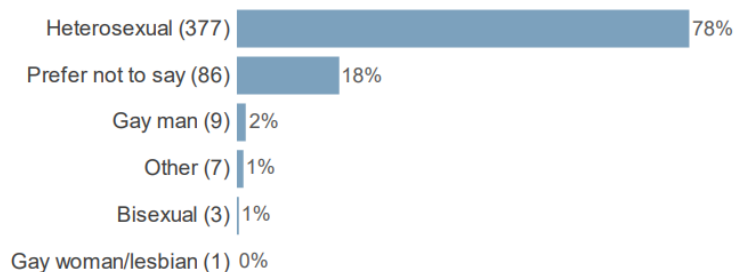
Pregnancy and maternity/paternity: Please indicate if any of the following apply to you (please tick all that apply).



Marriage and civil partnership: Are you? (please tick only one)

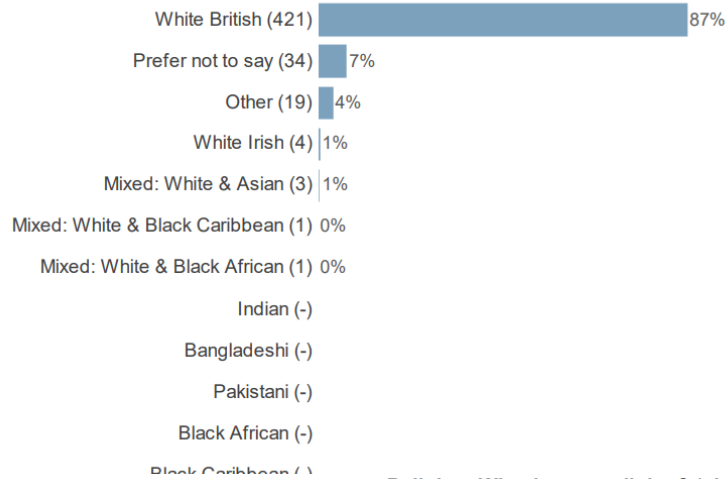


Sexual Orientation: What is your sexual orientation (please tick only one)

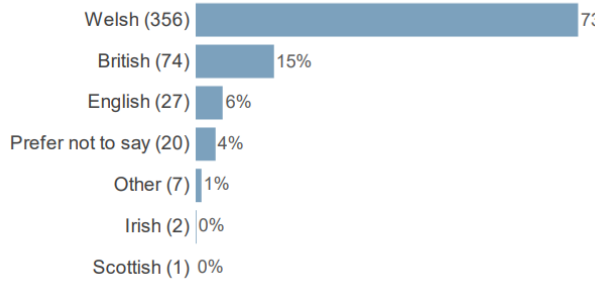


Appendix 7 - Summary of consultation responses

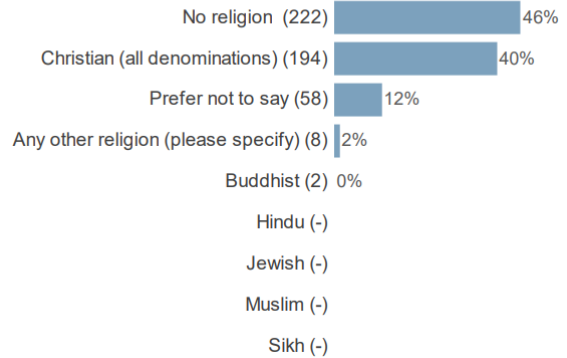
Ethnic origin:



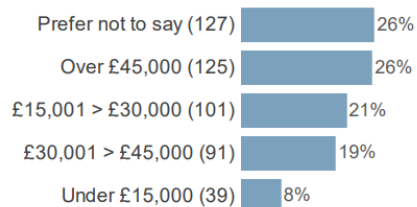
Nationality:



Religion: What is your religion? (please tick only one)



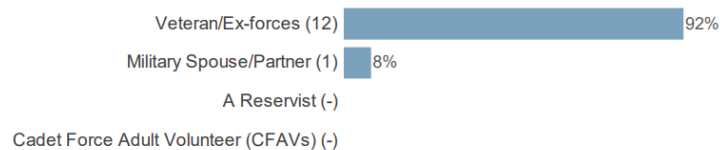
Household Income: Approximately how much income comes into your household each year?



Are you a member of the Armed Forces Community?



If yes, are you:

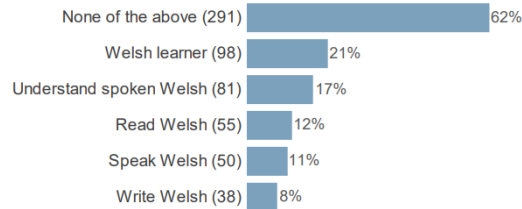


Appendix 7 - Summary of consultation responses

What is your main language?



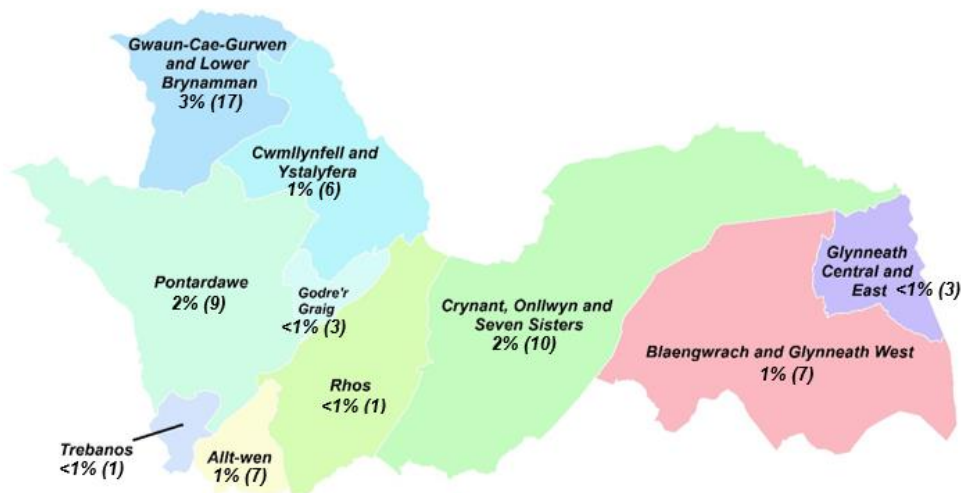
Welsh Language: Can you understand, speak or write Welsh? (Tick all that apply)



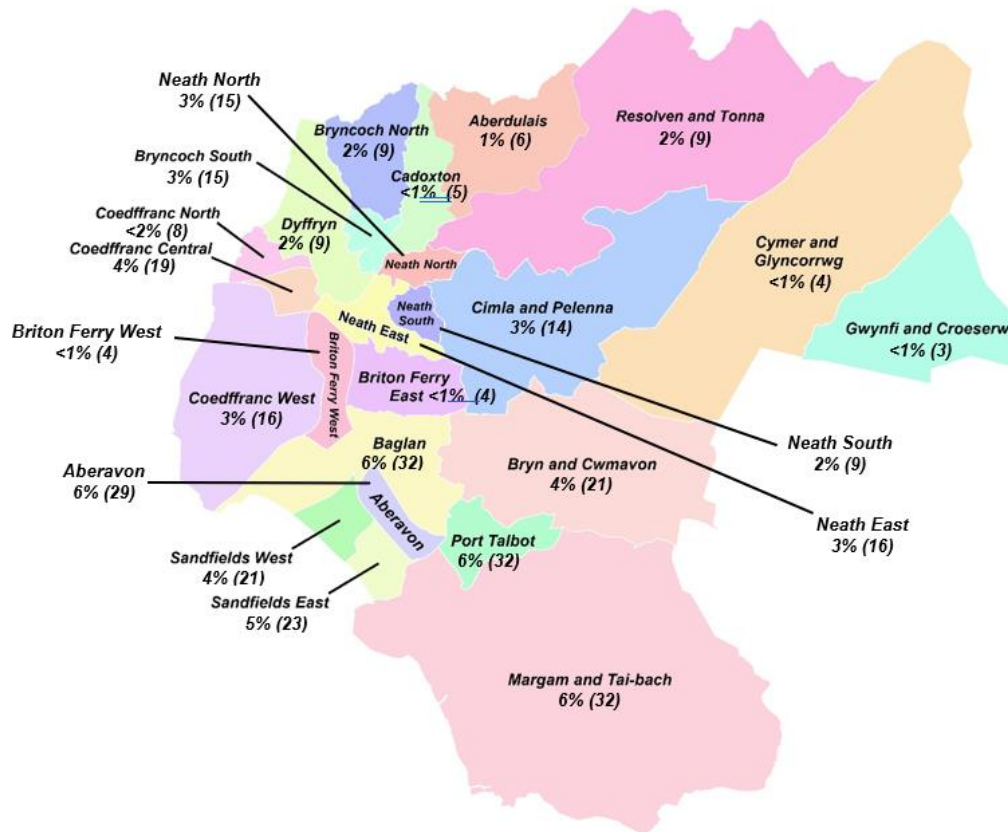
Respondents by ward:

The geographical spread of respondents is outlined on the ward map below. Please note that:

- 15% (74) respondents chose not to provide their postcode
- 1% (6) of the postcodes provided were outside of NPT
- 2% (8) respondents provided a partial or invalid postcode
- 1% (6) respondents provided a postcode for their place of work



Appendix 7 - Summary of consultation responses



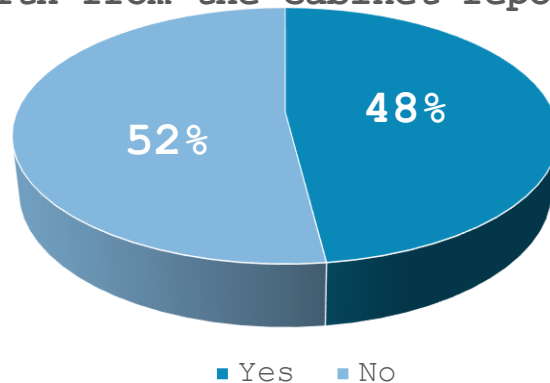
The percentages are rounded to the nearest whole number and are of the total number of respondents (507)

3.5 Draft Budget Report

Respondents were given the opportunity to provide their opinion on whether they agreed or disagreed with any proposals outlined in the draft budget report. Responses were as follows:

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Respondents were asked are there any specific proposals you agree or disagree with from the Cabinet report?



- 3.6 **Disagreement** – Of those who noted that they disagreed with certain aspects of the draft budget, respondents were afforded the opportunity to describe in detail their concerns. A thematic analysis was conducted on the 134 responses received and is provided below.

1. Council Tax Increases

A number of respondents to this question indicated they were strongly opposed to the proposed 7% increase in council tax (there was also a specific question on the proposed Council tax increase – see 3.8). The primary concerns include:

- **Financial Burden:** Residents, particularly those on fixed incomes such as pensioners, and those already struggling with the cost of living, feel that the increase is unaffordable. They argue that their wages have not increased in line with the proposed tax hike, making it difficult to manage their finances.
- **Value for Money:** There is a widespread perception that the increase in council tax is not justified by the quality of services provided. Residents feel that they are paying more but receiving less in return, leading to frustration and dissatisfaction.
- **Fairness:** Some comments highlight the perceived unfairness of the tax increase, especially when services are being cut. There is a sense that the council is not considering the financial strain on residents and is instead passing on the burden to them.

2. Service Cuts and Quality

Respondents are concerned about the reduction in various services and the impact on their quality of life:

- **Waste Collection:** Changes to rubbish collection schedules and the introduction of smaller bins have led to dissatisfaction. Residents feel

Appendix 7 - Summary of consultation responses

that the service has deteriorated, and they are now required to pay for additional private collections.

- **Road Maintenance:** The poor condition of roads and the reduction in maintenance budgets are major concerns. Residents are worried about the safety and usability of the infrastructure, and they believe that further cuts will exacerbate the problem.
- **Educational Support:** Reductions in educational services, such as the proposed cuts to educational psychologists, are seen as detrimental to children and families. Residents fear that these cuts will delay the identification and support of children's needs, putting additional pressure on schools and other services.

3. Financial Management and Efficiency

There is a call for better financial management and efficiency within the council:

- **Staff Reductions:** Some comments suggest that the council should undertake a compulsory redundancy program to reduce the headcount, which is seen as excessive for the population size.
- **Expense Management:** Residents criticise high salaries for senior staff and the perceived inefficiencies in council operations. They suggest cutting unnecessary expenses and focusing on essential services.
- **Grant Funding:** There are calls for the council to seek additional grant funding and to offset some costs against these grants. Residents believe that better financial planning and management could alleviate the need for such high tax increases.

4. Impact on Vulnerable Groups

The proposed budget changes are seen as having a disproportionate impact on vulnerable groups:

- **Elderly and Low-Income Families:** The increase in council tax is particularly challenging for the elderly and low-income families who may not qualify for additional support. These groups are already facing financial difficulties, and the tax increase could push them further into hardship.
- **Disabled Individuals:** Concerns are raised about the reduction in funding for services that support disabled individuals, such as the Child Disability Team. Residents worry that these cuts will have wide-reaching effects on mental health, housing, and overall quality of life for disabled individuals and their families.
- **General Well-being:** The overall sentiment is that the budget proposals do not adequately consider the needs of the most vulnerable residents, leading to increased stress and financial strain.

3.7 **Agreement** – Of those who noted that they agreed with aspects of the draft budget, respondents were afforded the opportunity to describe in detail their

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positive views. A thematic analysis was conducted on the 66 responses received and is provided below.

1. Rationalisation and Efficiency

Many comments support the idea of rationalising council buildings and improving efficiency:

- **Rationalising Buildings:** There is agreement on the need to rationalise the use of council buildings to save costs. This includes consolidating office spaces and reducing the number of buildings maintained by the council.
- **Reviewing Contracts:** Several comments highlight the importance of reviewing contracts to ensure value for money and to eliminate unnecessary expenses. This includes renegotiating terms and seeking more cost-effective solutions.
- **Efficiency in Service Delivery:** There is support for reviewing how services are provided to ensure they are delivered efficiently and effectively. This includes reducing duplication of work and focusing on core service delivery.

2. Cost Recovery and Income Generation

There is a strong emphasis on recovering costs and generating additional income:

- **Full Cost Recovery:** Many comments agree with the proposal to ensure full cost recovery for services provided to external organisations. This includes charging appropriate fees for services to cover their costs.
- **Increasing Fees and Charges:** There is support for increasing fees and charges for certain services, such as leisure centres and social care, especially for those who can afford to pay more. This is seen as a way to generate additional income without disproportionately impacting vulnerable residents.
- **Grant Funding:** Applying for more grant funding is seen as a positive step to bring in additional resources without increasing the financial burden on residents.

3. Protecting Essential Services

There is agreement on the importance of protecting and prioritising essential services:

- **Social Care and Waste Services:** Comments support ring-fencing funding for essential services such as social care and waste management to ensure they continue to meet residents' needs.
- **Education Funding:** There is agreement on the need to protect and potentially increase funding for education, particularly for secondary

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schools. This includes maintaining budgets for educational services that directly impact children and families.

- **Service Improvements:** Some comments suggest that any increase in council tax should be accompanied by improvements in service quality to ensure residents feel they are getting value for their money.

3.8 **Council Tax** – Respondents were asked how supportive they would be of a Council Tax rise to help protect/avoid cuts to services provided by the council. Responses were as follows:

Response	Number	%
Strongly agree	10	2%
Agree	48	10%
Neither	53	11%
Disagree	88	18%
Strongly disagree	305	61%
Base	504	

Consultation Themes – Council Tax

Supportive: of the 58 respondents who indicated they “agree” or “strongly agree”, 40 (69%) gave reasons for their response. The following thematic analysis summarises the main themes constructed from the data.

1. Necessity for Maintaining Services

Many respondents emphasise that the proposed increase is crucial to maintain the current level of services provided by the council. They argue that without this increase, essential services such as social care, education, public safety, and other community services would face significant cuts. This theme highlights the importance of these services to the quality of life in the community and the potential negative impact if they are reduced.

Example: *"Although I'm not happy about it, it is necessary in order to maintain vital services."*

Respondents recognise that services like street cleaning, emergency services, and public amenities are integral to the community's well-being. They believe that the increase is a necessary measure to ensure these services continue to operate effectively and meet the community's needs.

2. Fairness and Responsibility

This theme revolves around the perception of fairness in the proposed tax increase. Respondents feel that the increase is distributed equitably across different property bands, ensuring that those with higher property values contribute more. There is also a sense of collective responsibility, where everyone in the community is expected to contribute to the common good.

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Example: *"It is the responsibility of the whole electorate. Increasing by percentage those in the higher bands will contribute more which is fair."*

The idea of fairness is crucial, as respondents believe that a progressive tax system, where higher earners pay more, is fair. This approach is seen as a way to balance the financial burden and ensure that the increase is manageable for all residents, particularly those in lower property bands.

3. Economic Realities and Budget Constraints

Respondents acknowledge the financial challenges faced by the council, including a significant budget gap. They understand that the proposed increase is a response to these economic realities and is necessary to avoid deeper cuts to services. This theme reflects an awareness of the broader economic context and the difficult decisions that need to be made.

Example: *"The budget gap of £15 million is a stark reality that, if left unaddressed, could lead to significant service cuts."*

The economic pressures on the council are seen as unavoidable, and respondents recognise that additional revenue must be generated to bridge the budget gap. They understand that without this increase, the council would struggle to fund essential services, leading to a decline in service quality and availability.

Unsupportive: of the 393 respondents who indicated they "disagree" or "strongly disagree", 334 (85%) gave reasons for their response. The following thematic analysis summarises the main themes constructed from the data.

1. Financial Hardship and Affordability

Many respondents are experiencing financial difficulties due to the current economic climate, including rising costs of living, energy bills, and reduced benefits. The proposed council tax increase is seen as an additional burden that many cannot afford.

Examples: *"I am a pensioner on a limited income and already struggling with the scrapping of the winter fuel allowance. I don't have spare money so I will have to cut back."*

"People are struggling with the cost of living. Increasing council tax will put extra pressure on already tight finances."

This theme highlights the real-life struggles of residents who are already making tough choices between essential needs like heating and food. The increase in council tax could push some individuals and families into deeper financial distress.

2. High Existing Council Tax Rates

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Some respondents feel that NPT already has one of the highest council tax rates in Wales, and further increases are seen as unjustifiable, especially when compared to other local authorities.

Examples: *"We have the highest council tax in Wales, services that are provided are already diabolical without charging us more."*

"Currently paying one of the highest council tax rates in the borough and it is set to rise yet again. Services are getting worse, and council tax is always rising."

This theme underscores the frustration of residents who feel they are already paying more than their fair share. The comparison to other local authorities adds to the perception of unfairness and exacerbates dissatisfaction with the council's financial management.

3. Perceived Inefficiency and Waste

There is a strong sentiment that the council is not managing its resources efficiently. Respondents believe that there is significant waste and that high salaries for council employees are not justified. They call for better internal reviews and cuts to non-essential departments before increasing taxes.

Examples: *"I'd like to see evidence of internal council job reviews and cuts to non-essential departments and services before passing the burden onto taxpayers."*

"Make savings elsewhere, cut middle management jobs first before hiking council tax."

This theme reflects a lack of trust in the council's ability to manage its budget effectively. Residents are calling for greater transparency and accountability, and they want to see concrete actions taken to reduce waste before any tax increases are considered.

4. Declining Quality of Services

Many respondents feel that despite paying high council taxes, the quality of services provided by the council is declining. They cite issues such as poor road maintenance, inadequate waste collection, and reduced public services.

Example: *"Reducing services and increasing costs, when the quality of roads and services aren't improving."*

This theme highlights the disconnect between the amount residents are paying and the quality of services they receive. It suggests that residents are not seeing value for their money, which fuels dissatisfaction and opposition to the council tax increase.

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5. Impact on Vulnerable Populations

Concerns were raised about the disproportionate impact of the tax increase on vulnerable groups, including pensioners, low-income families, and those on fixed incomes. These groups are already struggling to make ends meet and are particularly sensitive to any additional financial burdens.

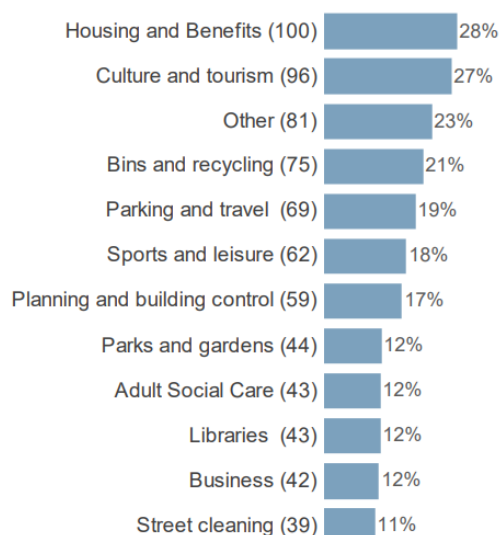
Examples: *"Many elderly are over the pension credit threshold and do not receive it or any help. They will not be able to afford this increase as they don't get pension credit nor a reduction in council tax or winter fuel help."*

"As a single occupant, I pay a disproportionate amount in Council tax as compared with families, and the larger the family the more disproportionate the gap."

This theme emphasises the need for the council to consider the social and economic impact of tax increases on the most vulnerable residents. It calls for more targeted support and a fairer distribution of the tax burden to protect those who are least able to afford it.

- 3.9 [Suggestions for income generation and reducing spending](#) – Respondents were asked if they have any suggestions on how the council can reduce the budget gap through income generation and/or reduce spending. They were providing a list of services to assist their responses. The bar graph below highlights where participants made their suggestions.

Do you have any ideas or suggestions on how we could reduce spending or generate income? Please select the service areas and provide your suggestions.



* Other (81) services have been organised into 5 key services which are provided by NPTC; staff and management costs, operational efficiency, revenue and fines,

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property and assets and, public services and community support.

Whilst respondents were asked to provide specific suggestions on each service selected, comments did not reflect the service. Therefore, a thematic analysis has been conducted on the suggestions provided to generate income or reduce spending.

Income Generation

1. Leverage Public Assets

Many suggested that the local authority should make better use of existing public assets to generate revenue. For example, suggestions were made to rent out community centres, parks, and sports facilities for events and private functions. Develop underutilised land for commercial purposes or public-private partnerships. This approach maximises the use of public assets, providing a steady income stream while serving community needs.

2. Increase Local Taxes and Fees

A number of respondents suggested that there is a need to adjust local taxes and fees to reflect current economic conditions. Specifically, respondents noted that the local authority should incrementally increase property taxes, business rates, and service fees and introduce new fees for services like waste management or parking. While this can generate significant revenue, it should be done cautiously to avoid undue burden on residents and businesses. Transparent communication about the reasons for increases would be essential.

3. Apply for Grants and Funding

Many participants suggested that the local authority should actively seek grants and funding from national and regional governments, as well as private foundations. Grants provide additional resources without increasing local taxes. Building strong relationships with funding bodies and staying informed about available opportunities would be vital to make this sustainable.

4. Develop Commercial Opportunities

- Some respondents suggested that the local authority should better engage in commercial activities that generate revenue for the local authority. For example, suggestions were made to look to establish relationships with municipal enterprises such as local energy companies, waste management services, or public transport systems. Respondents suggested that by engaging in commercial ventures, this may provide a sustainable revenue stream. However, careful planning, market research, and risk assessment are necessary to ensure success.

5. Tourism and Cultural Events

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- A number of respondents suggested that there is a need to better promote tourism and cultural events to attract visitors and generate income.
This included suggestions to Organise festivals, markets, and cultural exhibitions and to develop tourist attractions and improve local amenities. Participants suggested that through tourism, this will boost the local economy by increasing spending in local businesses. Effective marketing and investment in infrastructure are key to attracting visitors.

Spending Reduction

1. Implement Efficiency Improvements

Many respondents suggested that the local authority should look to streamline processes and adopt digital solutions to reduce costs. Examples such as implementing systems such as e-governance systems, automate administrative tasks, and conduct regular audits to identify inefficiencies. Respondents suggested that ensuring the improvements can lead to significant cost savings. Investing in technology and training staff can enhance productivity and reduce long-term expenses.

2. Review and Optimise Services

Many respondents suggested that there is a need for an internal evaluation of existing services to identify areas for cost reduction or reduce duplication.

It was also suggested that service reviews should be conducted to assess usage and impact. Consider reducing or merging low-demand services. Respondents noted that by analysing and reviewing services, this will ensure that resources are allocated effectively. Further, through continuous engagement with the communities, this will help to understand their needs can help make informed decisions.

3. Shared Services and Partnerships

Many respondents suggested that NPT should work closely with neighbouring authorities and organizations to share resources and reduce costs. Suggestions included; sharing administrative functions, joint procurement of goods and services, and collaborating on large projects. It was suggested that shared services can achieve economies of scale and reduce duplication. Building strong partnerships and clear agreements are essential to save money.

4. Energy and Resource Efficiency

A number of respondents suggested that measures should be undertaken to reduce energy consumption and resource use. Suggestions such as upgrading to energy-efficient lighting and heating systems, promote recycling programs, and reduce water usage were all popular. Some noted that by saving energy and resource efficiency not only save money but also contribute to environmental sustainability. Regular monitoring and maintenance ensure continued savings.

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5. Reduce Non-Essential Expenditures

A number of residents suggested that there needs to be a cut back on non-essential spending and to focus on resources on critical services. Some examples include limiting spending on travel, conferences, and non-essential projects and to implement stricter approval processes for discretionary spending. Many notes that by reducing non-essential expenditures frees up funds for essential services and projects. Clear guidelines and oversight are necessary to ensure compliance.

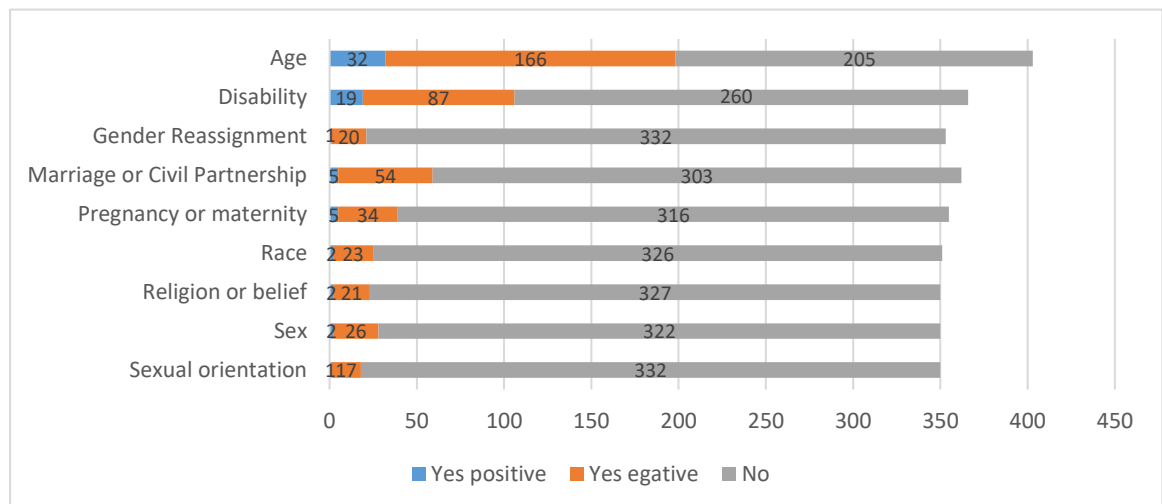
6. Volunteer and Community Involvement

There were a number of respondents who suggested that the local authority should encourage volunteerism and community involvement to support local services and initiatives. Examples include establishing volunteer programs for park maintenance, community events, and social services. Furthermore, there is a suggestion that there is a need to partner with local organizations and businesses for support.

4.0 Questions to inform the Integrated Impact Assessment

4.1 Respondents were asked a series of additional questions to help inform the Integrated impact assessment. These were as follows:

Would our Draft Budget 2024-25 proposals have an impact on you and/or your family because of your and/or their:



What effect do you think our Draft Budget 2024-25 proposals will have on people's opportunities to use the Welsh Language?

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What effect do you think our Draft Budget 2024-25 proposals will have on treating the Welsh language no less favourably than the English language?

Impact Assessment - First Stage

1. Details of the initiative

Initiative description and summary: Final Budget Proposals 2025/2026
Service Area: Services identified across the directorate
Directorate: All
Strategic Decision: Yes

2. Does the initiative affect:

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

3. Evidence used in the Assessment

Service areas collect and more importantly utilise data on service users as part of the ongoing development and delivery of individual services. In addition to the number of people using the service other relevant information such as age, sex, disability, etc., is also collected which in turn informs policy development and service provision. Information is collected through a variety of methods ranging from application forms and reviews, to satisfaction surveys and consultations.

As part of drawing up the draft proposals two all Member seminars have already taken place; briefings have been held virtually and face to face with staff and trade unions.

Members of the Cabinet have also held engagement sessions at various locations across the County Borough to explain the financial position the Council is facing to residents

Appendix 8 – Integrated Impact Assessment

Separate briefings will be held with Trade Unions, Town and Community Councils and the Voluntary Sector liaison forum. There will be an on-line consultation form as well as physical paper questionnaires which be available at multiple locations across the County Borough.

he already established 'Community of Practice' will also be utilised in order to extend the reach of the consultation as far as possible.

The short timescale for the consultation was due to the fact that the Welsh Government provisional local government settlement was in mid December and time was required in February to consider the impact of the settlement and consider consultations responses.

UPDATE FOLLOWING PUBLIC CONSULTATION

Public consultation was undertaken in relation to the proposal to increase council tax by 7%. There were 504 responses receive to the questionnaire and two written responses were received. For each of the groups of protected characteristics the majority of respondents felt that there would be no significant impact.

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

	Yes	No	None/ Negligible	Don't Know	Impact H/M/L/D	Reasons for your decision and details of the impact
Age		X				The Council is committed to prioritising investment in schools and educating children and is not proposing any significant reduction to the Delegated Budgets for Schools. An increase in funding for other Education
Disability		X				
Gender Reassignment		X				

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	Yes	No	None/ Negligible	Don't Know	Impact H/M/L/D	Reasons for your decision and details of the impact
Marriage/Civil Partnership		X				<p>Leisure and Lifelong Learning Services will help to protect services to vulnerable families and children through the provision of additional support for learners as well as funding increased capacity following the roll out of the Additional Learning Needs Legislation. Investment in children's and adult social services will continue to support people with learning disabilities and general provision towards care package costs. This investment will improve service provision to children and the elderly. Any specific changes to services will be the subject of separate impact assessments.</p> <p>The Council continues to be aware of its position as employer, provider and commissioner of services and to this end strives to ensure its ability to meet its legal obligations.</p>
Pregnancy/Maternity		X				
Race		X				
Religion/Belief		X				
Sex		X				
Sexual orientation		X				

5. Does the initiative impact on:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence used) / How might it impact?
People's opportunities to use the Welsh language		X				The Council currently has relatively small numbers of staff with Welsh language skills. Opportunities for staff to use their language skills will continue to be promoted and training will continue to be made available.

Appendix 8 – Integrated Impact Assessment

Treating the Welsh language no less favourably than English		X				The Council is committed to the principles as embodied in the Welsh Language Measure (2015) and the standards in particular will continue so that the Welsh language is treated no less favourably than the English language
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6. Does the initiative impact on biodiversity:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence) / How might it impact?
To maintain and enhance biodiversity				X		<p>There is no clear route to demonstrate either positive or negative impact on biodiversity.</p> <p>Future impacts assessment will benefit from the biodiversity service assessments which are currently being undertaken to help determine what, if any, impacts service areas have on biodiversity. The assessments will help inform where services areas will be required to undertake specific assessments when appropriate to determine the extent and any mitigating actions of future changes to service/policy, etc. as part of delivery of the Biodiversity Duty Plan</p>
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.				X		<p>There is no clear route to demonstrate either positive or negative impact on the resilience of ecosystems.</p> <p>Future impacts assessment will benefit from the biodiversity service assessments which are currently being undertaken to help determine what, if any, impacts service areas have on biodiversity. The assessments will help inform where services areas will be required to undertake specific assessments when appropriate to determine the extent and any mitigating</p>

Appendix 8 – Integrated Impact Assessment

						actions of future changes to service/policy, etc. as part of delivery of the Biodiversity Duty Plan
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7. Does the initiative embrace the sustainable development principle (5 ways of working):

	Yes	No	Details
Long term - how the initiative supports the long term well-being of people	X		Work has commenced on developing a medium term financial plan to cover the period 2025--2030 This plan highlights that there is a significant financial gap between the estimated funding available and the cost of running Council services over that period. Work will continue during 2025/2026 financial year in relation to closing this budget gap.
Integration - how the initiative impacts upon our wellbeing objectives	X		Proposals have been developed to help prevent intensifying current financial issues in the future. By preparing a medium term budget outlook the Council is mindful of the need to deliver statutory functions as well as considering its wider service provision which contribute to the wellbeing of its citizens. Proposals include protection for some services that enable early intervention and prevention activities that reduce demand on public services whilst promoting wellbeing, for example in social services.
Involvement - how people have been involved in developing the initiative	X		The Corporate Plan and Medium Term Financial plan will include collaboration with partners.
Collaboration - how we have worked with other services/organisations to find shared sustainable solutions	X		The consultation will be communicated as widely as possible and a significant amount of pre-consultation engagement has taken place.

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Prevention - how the initiative will prevent problems occurring or getting worse	X		The financial settlement and the specific grants that underpin Council services are key to the delivery of the Council’s wellbeing objectives thereby having a positive impact. The proposals will help ensure the business of the Council is managed to maximise the long term benefit for the citizens of Neath Port Talbot (the crosscutting objective relating to governance and resources).
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8. Other Impacts

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence) / How might it impact?
Valley Community Impacts		X				Individual proposals have been assessed and at this stage no impacts have been identified.
Crime and Disorder Impacts		X				Individual proposals have been assessed and at this stage no impacts have been identified.
Counter Terrorism Impacts		X				Individual proposals have been assessed and at this stage no impacts have been identified.
Violence against women, Domestic Abuse and Sexual Violence Impacts		X				Individual proposals have been assessed and at this stage no impacts have been identified.

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

A full impact assessment (second stage) is not required to commence consultation	X
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Reasons for this conclusion

A full assessment is not required and in all instances the majority of respondents felt that there would be no impact on anyone with protected characteristics and there would be no impacts on the use of the Welsh Language, Biodiversity and the report embraces the sustainable development principle.

	Name	Position	Date
Completed by	Huw Jones	Director of Finance	10 th February 2025



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

26th FEBRUARY 2025

REPORT OF THE DIRECTOR OF FINANCE

HUW JONES

MATTER FOR DECISION

WARDS AFFECTED: ALL

CAPITAL STRATEGY AND CAPITAL PROGRAMME 2025/26 to 2027/28

Purpose of report

The purpose of this report is to set out the Capital Strategy and Capital Programme for 2025/26 and detail proposals for future years.

Capital Strategy

The Capital Strategy sets out the Capital Programme planning process, governance and financial sustainability considerations. It also needs to be read in conjunction with the Council's Treasury Management Policy and helps to determine the amount of capital investment built into the Council's budget. The Council's Capital Strategy appears in Appendix 1 of this report.

Updated Capital Programme for 2024/25

The original Capital Programme totalled £81.901m, the updated programme for 2024/25 currently stands at £65.302m with the major variations having been reported to Cabinet and Council as part of the ongoing budget monitoring arrangements.

Welsh Government Capital Settlement 2025/26

The total Provisional Capital Settlement on an all Wales basis has increased from £953.831m to £1,040,140m on a like for like basis; with amounts still to be confirmed for a small number of grants in the Housing and Local Government, Climate Change and Rural Affairs and Social Justice portfolios. The Un-hypothecated base budget of the Capital Settlement for All Wales has increased from £180.000m to £200.000m

Neath Port Talbot – General Capital Funding

The amount of funding included in the 2025/26 settlement is £9.842m with £5.472m paid as a capital grant and the remaining £4.370m treated as supported borrowing with an allowance included in the revenue settlement to pay for the debt charges.

In addition to the funding provided by the WG the Council has also budgeted for the use of £0.5m of capital receipts arising from the sale of council assets. This has reduced from previous years as the number of asset sales has reduced significantly in recent years.

The Council has also built into its 2025/26 revenue budget funding to support prudential borrowing recognising the importance of continued capital investment within the County Borough.

The following table sets out the amount of funding available to the Council to distribute to capital projects.

Funding to underpin the NPT Capital Programme

	2024/25 £'000	2025/26 £'000
WG Base Funding	8,950	9,842
Capital Receipts	1,300	500
Prudential Borrowing	2,750	2,750
Total Available Funding	13,000	13,092

Capital funding allocation methodology

Members will note from the table below that it is only proposed to allocate funding for one financial year for maintenance programmes and Disabled Facilities Grants (DFG's).

The allocations to the various service areas have remained broadly unchanged since the Council's inception in 1996. Since that time the services the Council delivers and its asset base has changed significantly.

As a result it is proposed that officers undertake a review of the methodology for allocating capital funding during the 2025/26 financial year with the aim of introducing a more evidenced based approach. Initial scoping work undertaken suggests that a prioritisation matrix can be developed which will align to a set of agreed objectives. This will allow for more openness and transparency around funding allocation.

The results of this review will be reported back to Members in due course so that a methodology can be agreed for the 2026/27 financial year onwards.

As a result of the above the following allocations of funding are proposed:

Service Area	2024/25 £'000	2025/26 £'000
School maintenance	1,100	1,100
Schools ICT – HWB Grant Sustainability	250	250
Leisure	150	150
Highways and Engineering Maintenance	1,625	1,625
Environment Street scene Improvements	500	500
Match funding for grants (including flood prevention)	500	500
Neighbourhood Improvements	150	150
Pavilions	100	100
Regeneration	2,275	2,275
Disability Access	150	150

Service Area	2024/25 £'000	2025/26 £'000
Health & Safety	850	850
Social Services	150	150
Disabled Facilities Grants	3,000	3,000
Clean Up, Green Up – completion of existing programme	750	0
Decarbonisation Strategy (DARE) including Electric Vehicle Charging Stations	38	250
Income Generation Proposals	250	250
Contingency	1,162	1,792
Total	13,000	13,092

The current budget allocations to Schools, Leisure and Social Services provide important investment to maintain buildings infrastructure including roofs, heating, lighting etc. The investment in Highways and Neighbourhood improvements will maintain transport, bridges and other structures.

Delegation arrangements

Where allocations are proposed for the following service areas:

- Schools
- Leisure
- Pavilions
- Health and Safety
- Social Services

It is recommended that Cabinet provide delegated authority to the relevant Corporate Director in conjunction with the Corporate Director of Environment and Regeneration to determine resource allocations to individual projects.

In relation to the Highways and Engineering works programme it is proposed that individual projects should be agreed by Cabinet.

Neighbourhood Improvement Programme

It is also proposed that £5m of funding be allocated to support a new Neighbourhood Improvement Programme. This programme will be funded from 'prudential borrowing' with the borrowing costs met from the existing capital financing revenue budget.

It is anticipated that the Neighbourhood Improvement Programme will deliver small scale capital projects across the County Borough. Initially it is proposed that no project will cost in excess of £100k however this may change as the programme is developed.

The programme will not support projects which result in increased revenue costs for the Council. There will be no requirement for projects to bring associated match funding but clearly this would be advantageous as it would maximise investment opportunities.

If this programme is supported at Cabinet and Council, officers and members will work together to develop a list of proposals which will be reported back to Cabinet for approval.

It is anticipated that the programme will be delivered over the next three financial years with the profile to be agreed as the programme is finalised.

Additional Capital Funding

In addition to the funding provided by WG the Council's capital programme is supplemented by projects funded from other sources which include:

Prudential Borrowing

The Council only enters into prudential borrowing arrangements when it can demonstrate that it is prudent, sustainable and affordable to do so. In order to minimise the revenue costs associated with prudential borrowing the Council will look to first utilise other available sources of funding such as capital receipts.

Specific Grants

Funding provided for specific projects from various sources such as Welsh Government Departmental Budgets, Heritage Lottery fund etc. As is the nature of this type of funding there is less availability and certainty for the latter years of the Capital Programme.

Other sources

Various other smaller sources including specific reserves, private sector investment etc.

Major Investment Initiatives

The following paragraphs detail some of the major investment initiatives being delivered across the County Borough.

County Borough Regeneration

The Council continues to invest significantly in regeneration projects across the County Borough. Work is scheduled to continue in 2025/26 on the redevelopment of the Former Youth Offending Team.

City Deal

The UK Government has approved Neath Port Talbot's Business Case 'Supporting Innovation and Low Carbon Growth' and Homes as Power Stations (HAPS).

The 'Supporting Innovation and Low Carbon Growth Programme' totals £64.584m with £53m being contributed from the City Deal Grant. The balance of the funding is due from other public sector funding (£5.5m) and private sector funding (£6.084m).

The Homes as Power Stations Programme totals £505.5m with £15m being contributed from the City Deal Grant. The balance of the funding is due from other public sector funding (£114.6m) and private sector funding (£375.9m).

Appendix 2 of this report details the 8 projects that make up the City Deal programme.

Levelling Up Fund (LUF)

The UKLUF is a UK wide competitive capital fund which will invest in infrastructure that improves everyday life across the UK.

The Fund is focused on 3 investment themes:

- Transport investments
- Regeneration and town centre investment
- Cultural investment

A brief outline of the schemes being delivered is set out below;

- The LUF Vale of Neath Heritage Corridor Attractor Project will deliver transformational investment in visitor infrastructure at Gnoll Estate Country Park and Waterfall Country Pontneddfechan. The projects include investment in visitor infrastructure (such as car parking, EV charging, public toilets etc.), new visitor accommodation, public realm improvements and the safeguarding and interpretation of heritage assets.
- Port Talbot Town Centre Regeneration programme is focused on the regeneration and economic recovery of Port Talbot Town Centre. The package consists of three inter-linked project elements:
 - Refurbishment of the Princess Royal Theatre, diversifying its current offer.
 - Redevelopment of Port Talbot Civic Square into a multi-use community space
 - Introducing green infrastructure and public realm.

Impact of future developments and schemes

The capital programme as outlined in this report reflects known planned expenditure and financing. It is clear however that there are significant potential developments which are currently under consideration which may have a significant effect on the Council's capital programme and capital expenditure during the period covered by this report. There will be a requirement in future years to make specific financial provision in the Council's Revenue Budget and Capital Programme to fund such investments.

The capital programme is updated and approved as part of the quarterly budget monitoring process and any additional commitment approved by Council will be incorporated as approved.

Summary

The Council places great emphasis on the importance of capital investment as a means of regenerating our communities and providing modern and safe buildings and infrastructure. Capital investment does not only lead to improved facilities and services but creates jobs and economic benefits for the citizens of Neath Port Talbot.

Members will note that the total investment across the County Borough in 2024/25 is projected to be £65.302m with a further investment of £182.778m in subsequent years.

Financial Impact

All financial impacts are detailed within the body of the report. Additional revenue and capital funding provision will need to be built into future years' budgets once project confirmation and external grant funding are confirmed.

Integrated Impact Assessment

This report does not require its own Integrated Impact Assessment (IIA). However, as individual projects are being developed, the requirement for individual IIA's will be considered and completed as necessary. The Council will ensure that all capital investment is in line with legislation and best practice and aim to improve sustainability on our infrastructure.

Workforce Impacts

The capital funding meets the cost of a number of posts across the Council.

Legal Impacts

There are no legal impacts arising from this report.

Risk Management

Many of the works included in the capital programme alleviate/mitigate risks faced by the Council. The capital programme is seen as an important part of the Council's risk management processes. There are significant risks which may require a future revision of the capital programme. In particular due to: -

- Urgent capital maintenance requirements
- Additional costs arising from any additions to the capital programme
- Capital financing charges arising from additional unsupported borrowing which cannot be met from existing revenue budgets
- A reduction in the availability of external grants to supplement the Council's own funding of the capital programme
- Capacity to deliver the Capital Programme Projects
-

The Council's assets and infrastructure are aging and require significant investment. The proposal detailed earlier around a capital prioritisation matrix will be the starting point for addressing assets/infrastructure with the highest need of investment.

Council officers have detailed investment priorities as part of the Council's asset management plan however there is currently no

mechanism for aligning investment priorities alongside, for example, cyber security to ensure that there is a Council wide prioritised strategy and programme.

Consultation

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

Recommendations

It is recommended that Members commend to Council the approval of:

- The Capital Strategy.
- The Capital Programme for 2025/26 to 2027/28 as detailed in Appendix 2 to this report.
- The delegation arrangements as set out in this report

Reasons for proposed decision

To approve the Authority's Capital Programme in line with the Constitution.

Implementation of decision

The decision is proposed for implementation after consideration and approval by Council.

Appendices

Appendix 1 - Capital Strategy

Appendix 2 - Capital Programme 2025/26 to 2027/28.

List of background papers

Local Government Settlement 2025/26

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Capital Strategy

Purpose of the Capital Strategy

The Capital Strategy is intended to provide a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services; an overview of how the associated risk is managed and the implications for future financial sustainability.

Capital Programme Planning Process

The Capital Programme is a key component in assisting the Council to deliver its well-being objectives.

In order to assist in delivering these objectives the Programme prioritises a number of key areas:

- Maintenance of existing capital assets. This work is prioritised using the various Asset and Risk Management Plans in place
- Regeneration of the County Borough. Great emphasis is placed on this area and the subsequent benefits investment brings in relation to the economy and jobs. The Capital Programme allocation is used as a means of leveraging in external funding in the form of grants and private sector investment to ensure maximum benefits to the citizens of the County Borough
- Disabled Facilities Grants. These are seen as a key driver in ensuring that people can remain living in their own homes for as long as possible.

The Council does not enter into or incur capital expenditure funded by borrowing for purely commercial reasons i.e. with the sole intention of making a profit.

During 2025/26 Officers will review the methodology for determining capital allocations with the view to introducing a transparent prioritisation matrix.

Governance Arrangements

Delivery of the Capital Programme is overseen by the Council's Capital Programme Steering Group (CPSG) under the chair of the Director of

Finance. The group consists of a number of Heads of Service and other Council officers and meets regularly to consider progress along with any emerging pressures.

An updated version of the Capital Programme is formally approved by Cabinet and Council on a quarterly basis as part of the Council's budget monitoring and scrutiny arrangements.

Future Financial Sustainability

The revenue implications of Capital Spending plans are incorporated into the Council's Forward Financial Planning process. The cost of borrowing (principal and interest) to finance spending plans are calculated using prudent assumptions around interest rates to ensure they are affordable. Any revenue implications for Service's as a result of capital investment decisions are built into the Medium Term Financial Planning process as budget 'pressures'.

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by	
		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000
Service															
Education, Leisure and Lifelong Learning	8,613	4,719	3,894	14,907	3,781	11,126	11,344	3,108	8,236	11,048	2,709	8,339	0	0	0
Environment	66,600	21,872	44,728	43,443	16,703	26,740	49,862	12,996	36,866	57,799	13,596	44,203	21,148	323	20,825
Social Services, Health and Housing	3,661	3,225	437	4,476	3,398	1,078	3,878	3,850	28	0	0	0	0	0	0
Other Services	1,815	1,815	0	1,745	1,745	0	1,575	1,575	0	482	482	0	0	0	0
Contingency	1,212	1,212	0	730	730	0	1,042	1,042	0	0	0	0	0	0	0
Unallocated Subject to Review				0	0	0	0	0	0	12,300	12,300	0	12,300	12,300	0
Total	81,901	32,842	49,058	65,301	26,357	38,944	67,701	22,571	45,130	81,629	29,088	52,541	33,448	12,623	20,825
Funded by	0			0			0			0			0		
WG - General Capital Funding	17,615	17,615		13,782	13,782		14,054	14,054		13,433	13,433		10,300	10,300	
WG - Additional £5.010m General Funding	0	0		0	0		0	0		0	0		0	0	
Capital Receipts	0	0		0	0		0	0		0	0		0	0	
Prudential Borrowing	12,731	12,731		8,017	8,017		7,553	7,553		14,803	14,803		2,323	2,323	
Specific Reserves / Revenue	2,498	2,498		4,559	4,559		964	964		852	852		0	0	
External Grants/Contributions	49,058		49,058	38,944		38,944	45,130		45,130	52,541		52,541	20,825		20,825
Total	81,901	32,843	49,058	65,302	26,357	38,944	67,701	22,571	45,130	81,629	29,088	52,541	33,448	12,623	20,825

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget	Funded by		Budget	Funded by		Budget	Funded by		Budget	Funded by		Budget	Funded by	
		£'000	NPT £'000		External £'000	£'000		NPT £'000	External £'000		£'000	NPT £'000		External £'000	£'000
Education, Leisure and Lifelong Learning															
Capital Maintenance	1,600	1,600		2,455	662	1,793	2,133	2,133		600	600		0	0	
Schools Core IT Infrastructure	250	250		72	72		290	290		138	138		0	0	
Schools ICT - HWB Grant Sustainability	0	0		436	0	436	0	0		0	0		0	0	
Universal Primary Free School Meals Coedffranc Priamry	932	932		2,508	0	2,508	0	0		0	0		0	0	
Capital Maintenance for Schools	0	0		0	0		0	0		1,971	1,971		0	0	
Community Focused Schools Hubs Cwm Brombil, Melin Priamry, Sandfields Primary & YGG Ystalyfera Bro Dur	1,744	0	1,744	2,885	0	2,885	225	0	225	0	0		0	0	
Supporting Learners with Additional Needs	0	0		896	0	896	0	0		0	0		0	0	
Sustainable Communities for Learning Rolling Programme															
Abbey Primary	380	380		512	512		0	0		0	0		0	0	
Llangatwg Comprehensive	0	0		460	460		350	350		0	0		0	0	
Childcare Offer															
Small Grant Pot - independent providers	0	0		410	0	410	0	0		0	0		0	0	
YGG Blaendulais	0	0		150	-0	150	762	0	762	0	0		0	0	
Cwmavon	0	0		300	0	300	975	0	975	0	0		0	0	
Ystalyfera	0	0		180	0	180	0	0		0	0		0	0	
Childcare Offer Project Management	0	0		50	0	50	0	0		0	0		0	0	
YGG Rhosafan	1,850	0	1,850	600	0	600	6,050	0	6,050	8,339	0	8,339	0	0	
Leisure Investment	172	172		207	207		195	195		0	0		0	0	
Margam Park															
Margam Park Improvement Works	55	55		55	55		0	0		0	0		0	0	
Margam Castle Stonework Repairs	0	0		106	106		0	0		0	0		0	0	
Margam Park Insurance Works	0	0		29	29		0	0		0	0		0	0	
Margam Orangery Hot Water Boiler Plant Works	0	0		35	35		0	0		0	0		0	0	
Margam Park Fire Protection Works	0	0		130	130		0	0		0	0		0	0	
Dyfed Road Site Clearance	0	0		55	55		0	0		0	0		0	0	
Pontardawe Arts Centre Cinema	1,589	1,289	300	1,726	1,176	550	100	100		0	0		0	0	
ELLL Other	40	40		649	282	367	265	40	225	0	0		0	0	
Total	8,613	4,719	3,894	14,907	3,781	11,126	11,344	3,108	8,236	11,048	2,709	8,339	0	0	0

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget	Funded by		Budget	Funded by		Budget	Funded by		Budget	Funded by		Budget	Funded by	
		£'000	NPT £'000		External £'000	£'000		NPT £'000	External £'000		£'000	NPT £'000		External £'000	£'000
Environment															
Highways and Engineering Maintenance	2,011	2,011		1,980	1,960	20	1,734	1,734		1,396	1,396	0	0	0	
Environment - Streetscene Works	694	694		526	526		500	500		306	306		0	0	
Additional Highway Works (various locations)	83	83		4	4		83	83		0	0		0	0	
Additional major engineering works (subject to business cases - Norton Terrace, Bevans Terrace, Tonmawr Gabions)	949	949		838	838		150	150		0	0		0	0	
Covid Recovery - Catch Up, Clean Up, Green Up Capital Works	2,274	2,274		2,297	2,297		1,133	1,133		0	0		0	0	
Neighbourhood Improvement Programme	0	0		0	0		2,500	2,500		2,500	2,500		0	0	
Decarbonisation Strategy (DARE)	213	213		0	0		250	250		213	213		0	0	
Electric Vehicle Charging Facility	0	0		33	33		0	0		0	0		0	0	
Covid Recovery	197	197		7	7		0	0		0	0		0	0	
Drainage Grants															
Caenant Terrace & Grandison Brook	0	0		100	0	100	72	0	72	0	0		0	0	
Small Scale Fairyland House & Fabian Way	0	0		67	8	60	0	0		0	0		0	0	
Rock Street Construction	0	0		107	16	91	0	0		0	0		0	0	
Natural Flood Management Scheme Llantwit and Gnoll	70	0	70	108	0	108	0	0		0	0		0	0	
Stanley Place	0	0		178	27	152	269	40	228	0	0		0	0	
Grandison Brook	0	0		166	0	166	67	0	67	0	0		0	0	
Match funding for grants (including flood prevention)	500	500		0	0		500	500		425	425		0	0	
Transport Grants															
Local Transport Fund - Cymmer Carriageway Improvements	0	0		676	0	676	0	0		0	0		0	0	
Local Transport Fund - Neath Integrated Transport Hub	770	0	770	220	0	220	0	0		0	0		0	0	
Road Safety Grant	100	0	100	671	0	671	350	0	350	0	0		0	0	
Active Travel	0	0		696	0	696		0		0	0		0	0	
Resilient Roads Fund - Castle Drive Cimla	0	0		7	7		10	10		0	0		0	0	
Safe Routes in Communities	0	0		50	0	50	0	0		0	0		0	0	
Major Bridge Strengthening															
A474 Vale of Neath Bridge	100	100		0	0		294	294		0	0		0	0	
Cymmer Viaduct Design Work	0	0		15	15		0	0		0	0		0	0	
Coal Tip Safety	5,544	0	5,544	5,706	0	5,706	0	0		0	0		0	0	
Neighbourhood Improvements	168	168		193	193		150	150		0	0		0	0	
Pavilions	138	138		114	114		100	100		0	0		0	0	

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by	
		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000
Disability Access	150	150		114	114		170	170		0	0		0	0	
Health and Safety	1,087	1,087		782	782		950	950		0	0		0	0	
Vehicle Replacement Programme	0	0		820	820		0	0		0	0		0	0	
Passanger Transport Vehicles	0	0		145	145		0	0		0	0		0	0	
<u>Crymlyn Burrows Transfer Station</u>															
Waste Fleet Relocation Works	5,850	5,850		6,085	6,085		0	0		0	0		0	0	
Waste Strategy	175	175		56	56		126	126		0	0		0	0	
Other Waste	28	28		13	13		15	15		0	0		0	0	
<u>Other</u>															
Milland Road Footbridge	100	100		0	0		100	100		0	0		0	0	
Milland Road Car Park Retaining Wall	0	0		75	75		0	0		0	0		0	0	
PDR Network Management	600	600		657	657		0	0		0	0		0	0	
Sgwd Gwladys Pathway	0	0		180	180		0	0		0	0		0	0	
Godre'rgraig site clearance and land remediation	445	445		392	392		0	0		0	0		0	0	
Sports Wales – Lighting Programme	146	82	64	134	97	37	177	18	159	0	0		0	0	
49 Manor Way Retaining Wall	0	0		20	20		60	60		0	0		0	0	
Cwmavon Landslip	0	0		50	50		0	0		0	0		0	0	
Neath Civic Centre Hot Water & Heating Failure	0	0		113	113		100	100		0	0		0	0	
Margam Cemetery interim works	0	0		30	30		400	400		0	0		0	0	
Cae Garw Grant Works	0	0		115	0	115	0	0		0	0		0	0	
Ynysmeuwdy Aqueduct	0	0		75	75		0	0		0	0		0	0	
Heilbronn Way Vehicle Containment Barriers	0	0		45	45		0	0		0	0		0	0	
Employment and Business Start Up Space	174	174		33	33		450	450		0	0		0	0	
Neath Abbey Visitors Parking	0	0		75	0	75	75	75		0	0		0	0	
Place Making 4 (Property Development Grants)	810	0	810	412	0	412	0	0		0	0		0	0	
Aquasplash Upgrade (Phases 2 & 3)	0	0		51	51		0	0		0	0		0	0	
Maintenance - Structures and Council Owned Tips	109	109		62	62		50	50		0	0		0	0	
<u>Regeneration</u>															
Match Funding & Feasibility for WG & UK Government															
Funding Streams	1,753	1,753		50	50		200	200		5,003	5,003		0	0	
Former Crown Foods Site Re-development - Phases 3	423	423		74	74		200	200		1,117	1,117		0	0	
6 Station Road, Port Talbot	167	167		0	0		0	0		0	0		0	0	
Commercial Property Grant	314	314		0	0		0	0		0	0		0	0	
Mardon Park	0	0		90	0	90	0	0		0	0		0	0	
Redevelopment of the Former Youth Offending Team	825	248	578	486	154	333	788	236	552	0	0		0	0	

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by	
		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000
City Deal															
SWITCH	6,000	98	5,903	373	13	360	8,000	112	7,888	11,254	169	11,085	0	0	
Hydrogen Stimulus	509	8	501	162	2	160	830	12	818	1,008	15	993	0	0	
Air Quality Monitoring	181	3	179	133	2	131	79	1	78	53	1	52	0	0	
Low Emission Vehicles (LEV)	250	4	246	50	1	49	446	7	439	0	0		0	0	
Advanced Manufacturing Production Facility	150	2	148	10	0	10	100	2	98	2,000	30	1,970	20,389	306	20,083
Property Development Fund	1,400	214	1,186	492	200	292	1,000	15	985	2,981	45	2,936	0	0	
Homes as Power Stations	3,424	51	3,373	573	9	564	4,825	72	4,752	8,341	125	8,216	758	17	741
Levelling Up															
Pontneddfechan	7,570	768	6,802	400	0	400	1,000	176	824	6,027	603	5,424	0	0	
Gnoll Park	11,179	1,205	9,975	5,000	0	5,000	6,211	1,405	4,806	0	0		0	0	
Port Talbot Town Centre Regeneration	0	0	0	550	0	550	10,000	0	10,000	5,926	1,648	4,277	0	0	
Shared Prosperity Fund															
Valley Industrial Units	3,428	0	3,428	456	0	456	0	0		0	0		0	0	
Local Business Priority Fund	0	0		3,461	0	3,461	0	0		0	0		0	0	
NPT Heritage, Culture & Tourism Fund	1,098	0	1,098	1,226	0	1,226	0	0		0	0		0	0	
Valleys & Villages Prosperity Fund	1,496	0	1,496	1,449	0	1,449	0	0		0	0		0	0	
Sustainable Communities Growth Fund	250	0	250	204	0	204	0	0		0	0		0	0	
Third Sector Growth Fund	10	0	10	0	0		0	0		0	0		0	0	
SPF Supporting Local Business	1,762	0	1,762	1,720	0	1,720	0	0		0	0		0	0	
SPF Open Call (RD&I)	136	0	136	136	0	136	0	0		0	0		0	0	
SPF Open Call (RD&I) Coed Lleol/Small Woods	0	0		34	0	34	0	0		0	0		0	0	
Community Facilities Improvement Fund (CFIF)	0	0		697	0	697	0	0		0	0		0	0	
TATA Transition Fund															
Business Growth Fund	0	0	0	0	0	0	1,000	0	1,000	5,500	0	5,500	0	0	0
Supply Chain Transition Flexible Fund	0	0	0	0	0	0	3,750	0	3,750	3,750	0	3,750	0	0	0
Other Regeneration Projects	790	490	300	321	258	64	601	601		0	0		0	0	
Total	66,600	21,872	44,728	43,443	16,703	26,740	49,862	12,996	36,866	57,799	13,596	44,203	21,148	323	20,825

Capital Programme 2025/26 to 2027/28

	Original 2024/25			Revised 2024/25			Original 2025/26			Original 2026/27			Original 2027/28		
	Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by	
		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000
Social Services, Health and Housing															
Capital Maintenance	150	150		415	415		150	150		0	0		0	0	
Disabled Facilities Grants	3,155	3,000	155	3,069	2,831	237	3,028	3,000	28	0	0		0	0	
Enable - Support For Independent Living	281	0	281	281	0	281	0	0		0	0		0	0	
Sandfields Family Support Centre Redevelopment Costs	0	0	0	233	0	233	0	0		0	0		0	0	
Home Care Electric Vehicles	0	0		55	55		0	0		0	0		0	0	
Hillside Secure Unit Phase 2 Works and Sports Hall Improvements	0	0		242	42	200	700	700		0	0		0	0	
NPT Rent Rescue - Maintenance	75	75		181	54	127	0	0		0	0		0	0	
Total	3,661	3,225	437	4,476	3,398	1,078	3,878	3,850	28	0	0	0	0	0	0
Other Services															
Vehicle and Schools IT Replacement	340	340		290	290		0	0		0	0		0	0	
Civic Accommodation Modernisation	250	250		10	10		209	209		0	0		0	0	
The Quays Ground Floor Accommodation Provision	0	0		200	200		100	100		0	0		0	0	
CCTV Replacement	25	25		13	13		16	16		0	0		0	0	
Income Generation Proposals	250	250		0	0		0	0		482	482		0	0	
Corporate End User Device Fund	450	450		450	450		450	450		0	0		0	0	
Microsoft Software License	500	500		783	783		500	500		0	0		0	0	
Digital Services Storage Attached Network Infrastructure	0	0		0	0		300	300		0	0		0	0	
Total	1,815	1,815	0	1,745	1,745	0	1,575	1,575	0	482	482	0	0	0	0
Contingency	1,212	1,212		730	730		1,042	1,042		0	0		0	0	
Unallocated Subject to Review	0	0		0	0		0	0		12,300	12,300		12,300	12,300	
Grand Total	81,901	32,842	49,058	65,301	26,357	38,944	67,701	22,571	45,130	81,629	29,088	52,541	33,448	12,623	20,825

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Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

Report of the Director of Finance

26th February 2025

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY, AND MINIMUM REVENUE PROVISION POLICY

Purpose of Report

1. This report sets out the Council's Treasury Management Strategy, Annual Investment Strategy and Minimum Revenue Provision Policy for 2025/26.
2. 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

3. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties providing adequate liquidity initially before considering investment return.

4. 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 that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses.

Reporting Requirements

5. The Council is required to receive and approve, as a minimum, three main reports each year, which incorporates a variety of policies, estimates and actuals; details of which are outlined below.
6. Prudential and Treasury Indicators and Treasury Strategy (this report)

The first and most important report covers:

- the capital plans (including prudential indicators);
- a Minimum Revenue Provision Policy (how capital expenditure is charged to revenue over time);
- the Treasury Management Strategy (how the investments and borrowings are to be organized) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

7. A Mid-year Treasury Management Report (prepared after 1st October)

This will update Members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision.

8. An Annual Treasury Report

This provides details of the actual performance for the previous financial year and provides a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy. This report must be considered by Members by 30th September of the following financial year.

Scrutiny Arrangements

9. The above reports are required to be agreed at Cabinet for recommendation to Council. These arrangements are detailed in the scheme of delegation as set out in Appendix 1 of this report.

Treasury Management Strategy for 2025/26

10. The strategy for 2025/26 covers two main areas

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

11. These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, Welsh Government MRP Guidance, the CIPFA Treasury Management Code and Welsh Government Investment Guidance

Capital Prudential Indicators

12. Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans. The table below summarises these plans and how they are being financed:

	2023/24 Actual £'000	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Capital expenditure	39,129	65,302	67,701	81,629	33,448
<u>Resourced by:</u>					
Capital receipts	465	1,348	500	500	500
Grants & contributions	22,682	51,378	58,685	65,475	30,625
Reserves & DRF*	2,118	4,559	964	852	0
Borrowing	13,864	8,017	7,552	14,802	2,323

NB * DRF means Direct Revenue Financing

13. The Capital Financing Requirement (CFR)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so it's underlying borrowing need.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness. The table below shows the projected CFR movements:

CFR	2023/24 Actual £'000	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Opening Balance	355,073	357,490	353,777	349,314	351,899
Add:					
Expenditure to be funded by borrowing	13,864	8,017	7,552	14,802	2,323
Less: Minimum Revenue Prov. (MRP)	(11,447)	(11,730)	(12,015)	(12,217)	(11,771)
Est. Closing Balance	357,490	353,777	349,314	351,899	342,451

Treasury Management Prudential Indicators

- 14. The treasury management function ensures that the Council’s cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity and the Council’s capital strategy.
- 15. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.
- 16. The Council’s treasury portfolio position at 31st March 2024 comprised:

Table 1	Principal	
<u>Borrowing</u>	£m	£ m
Fixed rate funding	PWLB 210,802	
	Market 55,500	
	Other <u>3,055</u>	
	269,357	
Variable rate funding	<u>0</u>	
	269,357	
Other long term liabilities		0
<u>Gross Debt</u>		<u>269,357</u>
<u>Total investments</u>		35,900

- 17. Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the Capital Financing Requirement.
- 18. The Council has complied with this prudential indicator in the current year and there is no indication that it will not do so in future as detailed below:

	2023/24 Actual £'000	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Actual gross debt at 31 st March	269,357	273,751	272,557	272,130	271,936
Capital Financing Requirement (CFR)	357,490	353,777	349,314	351,899	342,451
Under / (over) borrowed	88,133	80,026	76,757	79,769	70,515

Treasury Indicators: Limits relating to borrowing

19. The Operational Boundary

This is the limit beyond which external debt is not normally expected to exceed.

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Operational Boundary	383,777	379,314	381,899	372,451

20. The Authorised Limit

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Authorised Limit	403,777	399,314	401,899	392,451

21. Upper limits on fixed and variable interest rate exposure

This identifies a maximum limit for fixed and variable interest rates based upon the total debt position

	2024/25 to 2027/28 £'000
Upper Limit on Fixed Interest Rate Exposure	408,103
Lower Limit on Fixed Interest Rate Exposure	
Upper Limit on Variable Interest Rate Exposure	204,052
Lower Limit on Variable Interest rate Exposure	

22. Maturity structure of borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits

Maturity Structure of Fixed Rate Borrowing	2024/25 Estimate %	Upper Limit %	Lower Limit %
Under 12 months	1	15	0
12 months to 2 years	0	15	0
2 to 5 years	2	40	0
5 to 10 years	13	60	0
10 years +	84	100	15

Prospects for Interest Rates

23. The Council has appointed MUFG Corporate Markets (formerly Link Asset Services) as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives MUFG’s projected view.

	Dec24	Mar25	Jun25	Sep25	Dec25	Mar26	Jun26
Bank Rate	4.75	4.50	4.25	4.00	4.00	3.75	3.75
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.40	4.40
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80

Borrowing Strategy

24. The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned. However this strategy can only be used as a short term measure therefore consideration will be given to entering into external borrowing during 2025/26.

25. The following types of loan arrangement will be considered (in no particular order):

- Temporary borrowing from the money markets or other local authorities.
- Short dated borrowing from the market or PWLB.
- Long term fixed rate market or PWLB loans.

Changes to PWLB lending rules during 2020/21 now mean that Local Authorities can no longer borrow at preferential rates if they intend to borrow (from any source) to fund investment specifically for the purpose of generating a profit. This Council will not be borrowing for this purpose.

26. The general aim of this treasury management strategy is to ensure the affordability of capital investment within the ongoing revenue budget, to ensure that the credit risk is managed effectively when comparing borrowing costs and investment holdings and returns.

27. The Council will continue to examine the potential for undertaking early repayment of some external debt to the PWLB in order to

reduce the difference between its gross and net debt positions.

28. Members should note that the below loans have been taken out in 2024/25 to date:

Lender	Date	Amount (£000)	Rate	Period
PWLB	01/08/24	5,000	4.56	5.5yrs
PWLB	25/11/24	5,000	4.95	4yrs

29. It should be noted that the Council repaid £5.412m of principal repayments to the PWLB during 2024/25.
30. During 2025/26 the Corporate Director of Social Services, Housing and Community Safety will be seeking Cabinet approval for a housing acquisition strategy. This strategy will utilise 'prudential borrowing' powers as set out in the 2003 Local Government Act. Expenditure funded by borrowing will be incorporated within the limits set out in this report.

Policy on Borrowing in Advance of Need

31. The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Debt Rescheduling

32. As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
33. The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings,
 - helping to fulfil this Treasury Management Strategy, and
 - enhance the balance sheet portfolio (amend the maturity profile and/or the balance of volatility).

34. Consideration will also be given to identify if there is any potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.
35. No rescheduling is anticipated in 2025/26. If rescheduling does take place it will be reported to the Cabinet Board, at the earliest meeting following its action.

Annual Investment Strategy

36. The Council's investment policy has regard to the Welsh Government's Guidance on Local Government Investments ("the Guidance") and the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the CIPFA TM Code"). The Council's investment priorities will be security first, portfolio liquidity second, then return.
37. In accordance with the above, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches and outlooks published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using MUFG's ratings service potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.
38. Further, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets.
39. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
40. The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.

41. The intention of the strategy is to provide security of investment and minimisation of risk.

42. Investment instruments identified for use in the financial year are listed in Appendix 2 under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices Schedules.

Creditworthiness Policy

43. The Council receives creditworthiness information from MUFG Corporate Markets. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:
 - credit watches and credit outlooks from credit rating agencies
 - Credit Default Swop (CDS) spreads to give early warning of likely changes in credit ratings
 - sovereign ratings to select counterparties from only the most creditworthy countries

44. All credit ratings are monitored on a daily basis. The Council is alerted to changes to ratings of money market organisations as announced by all three agencies through its use of the MUFG's creditworthiness service.
 - If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

45. Council Officers are able to use this creditworthiness information to help support their decision making processes along with other market information and data available.

46. The approved investment criteria are detailed in Appendix 2 of this report and have not changed from those previously approved by Members.

Country Limits

47. The Council will only invest in Banks in countries where the

sovereignty rating is AA+ or higher, with the exception of the UK which currently has an AA- rating. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 2. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

Investment Strategy

48. **In-house funds:** The Council currently manages its surplus funds in-house. The core balance, available for strategic investment is estimated to be in the region of £15m. The remaining cash balances are mainly cash flow derived and available for short term investment only.
49. Investments will accordingly be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (up to 12 months). The Council policy will allow investments up to a maximum of £25m for periods of more than 1 year and up to 5 years, and this will be considered when decisions on investing surplus funds are made.

Investment return projections.

50. The increases in the Bank of England Base Rate has led to an improvement in the investment return projections. The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

- 2024/25 4.60%
- 2025/26 4.10%
- 2026/27 3.70%
- 2027/28 3.50%
- 2028/29 3.50%
- Later years 3.50%

Investments greater than 365 days

51. The Council is required to set a limit on the total value of investments with a duration greater than 365 days. This limit is set with regard to the Council's liquidity requirements. The proposed limit is set out at £25m.
52. Members should note that the updated Treasury Management Code of Practice now requires Local Authorities to report on investments over 365 days as opposed to the previous practice of over 364 days.

End of Year Investment Report

53. Members will receive a report on the actual 2024/25 investment activity as part of the Annual Treasury Report by 30th September 2025.

Policy on the Use of External Service Providers

54. The Council uses MUFG Corporate Markets (formerly Link Asset Services) as its external treasury management advisers. The Council's contract with them was renewed 1st July 2022 and ends 30th June 2025.

55. The Council recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

56. However it is recognised that responsibility for treasury management decisions remains with the Council.

Role of the Section 151 Officer

57. The Director of Finance is the designated Section 151 Officer for the Council. The specific responsibilities of the S151 Officer are set out below:

- to recommend treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommend the appointment of external service providers.

Minimum Revenue Provision

Introduction

58. Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred therefore such expenditure is spread over several years in order to try to match the years over which such assets benefit the local community through their useful life. The manner of spreading these costs is through an annual Minimum Revenue Provision.
59. The council is required to approve its MRP policy for the forthcoming financial year ensuring that “prudent provision” is made.

Minimum Revenue Provision Policy Statement 2025/26

The Council’s MRP policy for 2025/26 is detailed below:

MRP Policy – Supported Borrowing

60. The Council is required to make arrangements for the repayment of debt which it considers to be a ‘prudent provision for the repayment of debt’. In relation to capital expenditure funded by supported borrowing the MRP policy will be to write down the debt over a 50 year period on a straight line basis, this is broadly consistent with the lives of assets funded and maintained by supported borrowing.

MRP Policy – Prudential Borrowing

61. Expenditure will be subject to MRP on the basis of asset life and using the equal annual instalment or annuity methods as appropriate.
62. Estimated life periods will be determined by the Director of Finance under delegated powers. To the extent that expenditure is not on the creation of an asset e.g. computer software and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.
63. Where some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be

assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure, as determined by the Director of Finance.

- 64. Where the Council provides capital funding to a third party the MRP charge will be calculated as if the Council incurred the capital expenditure itself i.e. over the expected life of the asset.
- 65. The Council will apply the Minimum Revenue Provision to the accounts in the financial year following which the asset becomes operational.

Affordability Prudential Indicators

- 66. The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework a prudential indicator is required to assess the affordability of the capital investment plans. This indicator shows the impact of the capital investment plans on the Council’s overall finances.

Ratio of financing costs to net revenue stream

	2023/24 Actual	2024/25 Revised Estimate	2025/26 Original Estimate	2026/27 Original Estimate
Financing Cost / Net Revenue	6.05%	5.52%	5.23%	5.23%

Financial Impact

- 67. All financial impacts are detailed within the body of the report.

Integrated Impact Assessment

- 68. There is no requirement for an integrated impact assessment for this report.

Workforce impacts

- 69. There are no workforce impacts resulting from this report.

Legal impacts

70. The report deals with the Council's legal requirements as set out in Local Government Act 2003.

Risk management

71. Compliance with the strategies outlined in this report should be sufficient in terms of managing risks in this area.

Recommendation

72. It is recommended that Cabinet commend to Council the approval of the following Strategies and Policies as set out in this report:

- Treasury Management Strategy
- Annual Investment Strategy
- Minimum Revenue Provision Policy
- Prudential Indicators

Reasons for proposed decision

73. To approve the Authority's Treasury Management Strategy, Annual Investment Strategy, Capital Strategy and MRP Policy as required by the Local Government Act 2003 and the CIPFA Prudential Code for Capital Finance in Local Authorities (2017).

Implementation of decision

74. The decision is proposed for implementation immediately after consultation with the Cabinet Scrutiny Committee and determination by Council.

Appendices

Appendix 1 – Scheme of Delegation
Appendix 2 - Investment Criteria

List of Background Papers

CIPFA – Treasury Management in the Public Sector Code of Practice
CIPFA – Prudential Code for Capital Finance in Local Authorities (2017)
Treasury Management Working Papers

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Scheme of Delegation

Area of Responsibility	Council/ Committee	Frequency
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 th September after the end of the year
Treasury Management Monitoring and Performance Reports	Cabinet and Audit Committee	Quarterly
Treasury Management Practices	Cabinet for approval by Full Council	Amendments to be reported annually
Scrutiny of Treasury Management Strategy	Cabinet and Audit Committee	Annually

Specified Investments

	Minimum 'High' Credit Criteria	Funds Managed	Max Amount	Max Duration
Term deposits				
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
Callable deposits				
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.

Other specified investments are as follows:

1. The UK Government – in addition to the Debt Management Account facility, there are UK Treasury Bills or Gilts with less than 1 year to maturity.
2. Supranational Bonds of less than 1 year duration – there are two categories:
 - (a) multilateral development bank bonds such as European Investment Bank Bonds
 - (b) a financial institution that is guaranteed by the UK Government such as The Guaranteed Export Finance Company.
3. Pooled Investment Vehicles (such as Money Market funds) that have been awarded a high credit rating agency.

Specified investments are considered low risk assets where the possibility of loss of principal or investment income is small.

The Council has not utilised these types of investments in the past but is currently investigating the merits for doing so.

Non-Specified Investments:

A maximum of £25m will be held in aggregate in non-specified investments. All non-specified investments will be sterling denominated, as reflected below:

Maturities in excess of 1 year

	Minimum Credit Criteria	Funds Managed	Max. Investment	Max. Maturity Period
Fixed term deposits with fixed rate and fixed maturity				
Debt Management Agency Deposit Facility	N/A	In-house	Unlimited	5 years
Term deposits – local authorities	NA	In-house	£10m	5 years
Term deposits – UK banks/Building Societies	Fitch long-term rating A	In-house	£10m	5 years
Term deposits – Non UK banks	Fitch long-term rating A	In-house	£3m	5 years
Term deposits – building societies	Fitch long-term rating A	In-house	£3m	5 years
Fixed term deposits with variable rate and variable maturities				
Callable deposits	Fitch long-term rating A	In-house	Criteria as above	

Approved Countries for Investments

At present the Council has the ability to invest in the countries as set out below; the Council will take account of all information if making investments in Non-UK banks.

The Council will only invest in Banks where the sovereignty is AA+ or higher, with the exception of the UK which has a AA- Sovereign Rating. Should the UK sovereignty rating reduce further the Council will immediately review its investments but will continue to invest in UK institutions in line with the agreed strategy and a report will be forwarded to Members for consideration.

Based on latest available rating:

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- USA

AA

- Qatar
- United Arab Emirates

AA-

- UK



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet

Wednesday 26th February 2025

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

Matter for Decision

Wards Affected: All Wards

UK Shared Prosperity Fund 2025 – 26 – Approval of Neath Port Talbot programme and delivery model

Purpose of the Report:

To seek Members approval on the recommendation to approve the Neath Port Talbot UK Shared Prosperity Fund (UKSPF) 2025 – 26 Transition Year programme and delivery model.

Executive Summary:

The UKSPF 2025 – 26 Transition Year will support UK Government Mission delivery with a specific focus on economic growth across the three priority areas of Communities & Place, Supporting Local Business and People & Skills.

The UKSPF 2025 – 26 aims to support activities from April 2025 to March 2026, including the continuation of some existing UKSPF activity where appropriate.

This report seeks Members approval on:

- The recommendation to approve the Neath Port Talbot UK Shared Prosperity Fund programme and delivery model.
- The recommendation that delegated authority be granted to the Director of Environment and Regeneration in consultation with the Director of Finance, the Leader and relevant Cabinet Member(s) to approve Council led Anchor projects and any projects submitted under Neath Port Talbot UK Shared Prosperity Fund 2025 – 26 open calls with regular reporting to Cabinet.

Background:

The UKSPF 2025 – 26 aims to support activities from April 2025 to March 2026, including continuation of some existing UKSPF activity where appropriate.

The UKSPF is a mix of revenue and capital funding, with a greater percentage allocated to capital than the previous UKSPF programme.

The Neath Port Talbot UKSPF allocation from April 2025 to March 2025 is:

Allocation	£14,958,780
Administration top slice @ 4%	£598,351
Budget for project activity	£14,360,429

N.B. UK Government proposed a 40% reduction to the current financial year allocation, however UK Government wanted to ensure that the most deprived areas received a lower percentage cut than other areas. As a result, and after agreement with Welsh Government, in Wales Neath Port Talbot (along with Merthyr Tydfil, Blaenau Gwent, RCT) received a 25% reduction leading to the other 18 Local Authorities in Wales receiving a slightly higher 42% reduction.

The UKSPF 2025 – 26 Transition Year will support UK Government Mission delivery with a specific focus on economic growth across the three priority areas of:

- Communities & Place;
- Supporting Local Business; and
- People & Skills.

Each priority has associated Themes and Sub Themes as indicated below:

UKSPF Priority: Communities & Place	
Theme 1:	Healthy, safe and inclusive communities
Sub-themes:	Improve Health and wellbeing; Reduce crime and the fear of crime; Bringing communities together; Tackling homelessness.
Theme 2:	Thriving Places
Sub-themes:	Development of the visitor economy; High streets and town centres improvements.

UKSPF Priority: Supporting Local Business	
Theme 1:	Support for Business
Sub-themes:	Advice and support to business; Enterprise culture and start-up support; Business sites and premises.

UKSPF Priority: People & Skills	
Theme 1:	Employability
Sub-themes:	Supporting people to progress towards and into employment; Support for young people who are or at risk of being NEET.
Theme 2:	Skills
Sub-themes:	Essential skills (incl. numeracy, literacy, ESOL and digital); Employment related skills.

The UKSPF 2025 – 26 Transition Year is not a continuation or extension of the current UKSPF 2022 – 25 programme, as all 2022 – 25 allocations need to be spent by 31st March 2025, and any underspend to be returned to MHCLG (UKG).

UKSPF delivery model

The four Local Authorities in South West Wales have agreed the following delivery model principles to maximise the limited timescale available:

- Extension of Anchor Project activity including Third Party Grant Schemes for businesses and communities that can deliver to shorter timescales;
- Capital schemes that are ready to go (planning in place etc)
- Limited general open call to enable a small number of additional projects to be supported that are aligned with regional and local strategies – if sufficient funds are available;
- Project activity to cease well in advance of March 2026 to allow project and programme closure.

Neath Port Talbot Council UKPSF 2025 – 26 delivery model

To ensure a strategic approach to delivery with a smooth transition and delivery at pace to commence from 1st April 2025, it is recommended that a similar approach to the 2022 – 2025 UKPSF programme is adopted, with a regional strategic approach and local determination and delivery. The following delivery model is proposed:

Five Council led Anchor projects to deliver key Council priorities which are:

- **Community**
- **Place**
- **Business**
- **Employability**
- **Skills**

The Community, Business and Place Anchor Projects will include Third Party Grant Schemes to award funding to public, private, community and third sector organisations.

Neath Port Talbot Council will manage and administer all Third Party Grant Schemes, and funding will be awarded via a competitive bid process with an agreed assessment and scoring criteria, adopting the same award sign off levels in line with the current programme.

The Third Party Grant Schemes will be streamlined to avoid duplication. The Third Sector will be able to apply for funding, but Neath Port Talbot Council will manage and administer the Community Third Party Grant Scheme via the Strategic Funding Programmes Office.

Governance:

The Strategic Funding Programmes Office will continue as the Programme Management Office for the UKSPF programme in Neath Port Talbot;

Neath Port Talbot Cabinet will retain the decision making role;

Neath Port Talbot Council will manage all Third Party Grant Schemes;

Neath Port Talbot UKSPF Programme Board will continue the internal governance role and will provide the assessment and recommendation role for the Anchor projects;

Neath Port Talbot Local Economic Partnership (LEP) will continue as the local stakeholder engagement role in line with the UKSPF Prospectus with Welsh Government and UK Government as partners; MP and MS engagement will continue via liaison meetings.

Next steps:

Council led Anchor Projects to be finalised, then reviewed and assessed by Neath Port Talbot UKSPF Programme Board.

Following approval of the Council led Anchor projects, the Strategic Funding Programmes Office will issue Service Level Agreements to the Anchor projects to allow project delivery to commence or continuation of existing Anchor projects.

Council led and managed Third Party Grant Schemes to be launched.

Planned delivery to commence 1st April 2025.

Financial Impacts:

No implications. Funding for the UKSPF programmes is via the overall grant provided to the Council detailed above.

Integrated Impact Assessment:

A first stage impact assessment (enclosed at Appendix 1) has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment has indicated that a more in-depth assessment is not required.

Valleys Communities Impacts:

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

Workforce Impacts:

The Strategic Funding Programmes Office will manage the Fund at the local level.

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

Legal Impacts:

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

Swansea Council, as Lead Local Authority (LLA) for the South West Wales region will enter in to a Memorandum of Understanding (MoU) with UK government regarding the administration and delivery of the UKSPF including the release of the funding allocations for the region.

Each partner local authority will enter into a Service Level Agreement with Swansea Council to ensure compliance with the MoU and to receive their funding allocation.

Risk Management Impacts:

There are no risk management issues associated with this report.

The UKSPF application form requires applicants to develop a risk register which will be managed as part of the project plan. Due diligence checks including Subsidy Control assessments will be carried out.

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

Consultation:

This item has not been subject to external consultation.

A UKSPF engagement plan is in development to ensure regular engagement with local, regional and national stakeholders including PSB, NPT Local Economic Partnership.

Recommendations:

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

- Members agree the recommendation to approve the Neath Port Talbot UKSPF programme and delivery model.
- Members agree the recommendation that delegated authority be granted to the Director of Environment and Regeneration in consultation with the Director of Finance, the Leader and relevant Cabinet Member(s) to approve Council led Anchor projects and

any projects submitted under Neath Port Talbot UK Shared Prosperity Fund 2025 – 26 open calls with regular reporting to Cabinet.

Reasons for Proposed Decision:

To enable Neath Port Talbot Council to implement the UKSPF delivery plan.

Implementation of Decision:

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

Appendices:

Appendix 1 – IIA

List of Background Papers:

None.

Officer Contact:

Name: Lisa Willis

Designation: Strategic Funding Programmes Manager

Email: l.willis@npt.gov.uk

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Impact Assessment - First Stage

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

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

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

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

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

1. Provide a description and summary of the initiative.

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

2. Identify who will be affected by the initiative.

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

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

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

Some things to consider include:

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

Definitions of impacts (either positive or negative):

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

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

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

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

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

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

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

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

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

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

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

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

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

Impact Assessment - First Stage

1. Details of the initiative

Initiative description and summary:

The UKSPF 2025 – 26 Transition Year will support UK Government Mission delivery with a specific focus on economic growth across the three priority areas of Communities & Place, Supporting Local Business and People & Skills.

This first stage IIA relates to the NPT UKSPF programme and delivery model.

Service Area: Property and Regeneration

Directorate: Environment & Regeneration

2. Does the initiative affect:

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

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

	Yes	No	None/ Negligible	Don't Know	Impact H/M/L	Reasons for your decision (including evidence)/How might it impact?
Age		X				The nature of this initiative will have no impact on this characteristic.
Disability		X				The nature of this initiative will have no impact on this characteristic.

Gender Reassignment		X				The nature of this initiative will have no impact on this characteristic.
Marriage/Civil Partnership		X				The nature of this initiative will have no impact on this characteristic.
Pregnancy/Maternity		X				The nature of this initiative will have no impact on this characteristic.
Race		X				The nature of this initiative will have no impact on this characteristic.
Religion/Belief		X				The nature of this initiative will have no impact on this characteristic.
Sex		X				The nature of this initiative will have no impact on this characteristic.
Sexual orientation		X				The nature of this initiative will have no impact on this characteristic.

4. Does the initiative impact on:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence used) / How might it impact?
People's opportunities to use the Welsh language		X				In line with the Council's Corporate Plan and Welsh Language policy, any publications or public communications regarding the initiative, to include press releases, social

						media posts, etc. will be translated into Welsh and will be released with no time delay
Treating the Welsh language, no less favourably than English		x				In line with the Council's Corporate Plan and Welsh Language policy, any publications or public communications regarding the initiative, to include press releases, social media posts, etc. will be translated into Welsh and will be released with no time delay

5. Does the initiative impact on biodiversity:

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

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

	Yes	No	Details

<p>Long term - how the initiative supports the long-term well-being of people</p>			<p>The proposed initiative will support the Council's Corporate Plan to Recover, Reset, Renew, by delivering directly towards the following Well Being Objectives:</p> <ul style="list-style-type: none"> • All children get the best start in life • All communities are thriving and sustainable • Our local environment, heritage and culture can be enjoyed by future generations • Jobs and skills - local people are skilled and can access high quality, green jobs
<p>Integration - how the initiative impacts upon our wellbeing objectives</p>			<p>As above</p>
<p>Involvement - how people have been involved in developing the initiative</p>			<p>As above</p>
<p>Collaboration - how we have worked with other services/organisations to find shared sustainable solutions</p>			<p>As above</p>
<p>Prevention - how the initiative will prevent problems occurring or getting worse</p>			<p>As above</p>

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

A full impact assessment (second stage) is not required	X
Reasons for this conclusion	
In line with Neath Port Talbot IIA screening form guidance, it has been determined that a full assessment is not appropriate in this instance, as the initiative will have no impact on protected characteristics.	

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

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	Name	Position	Signature	Date
Completed by	Lisa Willis	Strategic Funding Programmes Manager	L Willis	05/02/2025
Signed off by	Simon Brennan	Head of Property & Regeneration	S Brennan	05/02/2025

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Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

Report of the Head of Legal and Democratic Services

Cabinet (Special) – 26 February 2025

ACCESS TO MEETINGS/EXCLUSION OF THE PUBLIC

Purpose:	To consider whether the Public should be excluded from the following item of business.
Item (s):	Item 13 - Home to School Transport – Transformation Programme Update and Future Operations Item 14 - Housing Renewal and Adaptation Service - Repayment of Disabled Facility Grant Monies
Recommendation(s):	That the public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it/they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.
Relevant Paragraph(s):	13, 14 and 16

1. Purpose of Report

To enable Members to consider whether the public should be excluded from the meeting in relation to the item(s) listed above.

Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, allows a Principal Council to pass a resolution excluding the public from a meeting during an item of business.

Such a resolution is dependant on whether it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present during that item there would be disclosure to them of exempt information, as defined in section 100I of the Local Government Act 1972.

2. Exclusion of the Public/Public Interest Test

In order to comply with the above mentioned legislation, Members will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it/they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in Appendix A.

Where paragraph 16 of the Schedule 12A applies there is no public interest test. Members are able to consider whether they wish to waive their legal privilege in the information, however, given that this

may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

Not applicable

4. Integrated Impact Assessment

Not applicable

5. Valleys Communities Impact

Not applicable

6. Workforce Impact

Not applicable.

7. Legal Implications

The legislative provisions are set out in the report.

Members must consider with regard to each item of business the following matters.

- (a) Whether in relation to that item of business the information is capable of being exempt information, because it falls into one of the paragraphs set out in Schedule 12A of the Local Government Act 1972 as amended and reproduced in Appendix A to this report.

and either

- (b) If the information does fall within one or more of paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended, the public interest test in maintaining the exemption outweighs the public interest in disclosing the information; or
- (c) if the information falls within the paragraph 16 of Schedule 12A of the Local Government Act 1972 in considering whether to exclude the public members are not required to apply the public interest test by must consider whether they wish to waive their privilege in relation to that item for any reason.

8. Risk Management

To allow Members to consider risk associated with exempt information.

9. Recommendation(s)

As detailed at the start of the report.

10. Reason for Proposed Decision(s):

To ensure that all items are considered in the appropriate manner.

11. Implementation of Decision(s):

The decision(s) will be implemented immediately.

12. List of Background Papers:

Schedule 12A of the Local Government Act 1972

13. Appendices:

Appendix A – List of Exemptions

Appendix A

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

By virtue of paragraph(s) 13, 14, 16 of Part 4 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 13, 14, 16 of Part 4 of Schedule 12A
of the Local Government Act 1972.

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of the Local Government Act 1972.

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

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