



C O U N C I L S U M M O N S

To all Members of Council

You are hereby summoned to attend a

MEETING OF THE COUNCIL

to be held at 2.30 pm on

WEDNESDAY 3 February 2016

in the

COUNCIL CHAMBER - PORT TALBOT

Prayers will be said by the Mayor's Chaplain prior to the commencement of the meeting.

--- A G E N D A ---

PART A

1. *Mayor's Announcements.*
2. *To receive any declarations of interest from Members.*

Report of the Corporate Directors' Group

3. *Revenue Budget Monitoring (Pages 3 - 34)*

Report of the Head of Financial Services

4. *Capital Budget Monitoring (Pages 35 - 38)*

Report of the Director of Finance and Corporate Services

5. *Minimum Revenue Provision Policy 2015/16* (Pages 39 - 52)

Report of the Corporate Directors' Group

6. *Revenue Budget 2016/17* (Pages 53 - 122)

Report of the Head of Financial Services

7. *Capital Programme 2016/19* (Pages 123 - 138)
8. *Any urgent items (whether public or exempt) at the discretion of the Mayor pursuant to Section 100B (4) (b) of the Local Government Act 1972.*

Sen P...


Chief Executive

**Civic Centre
Port Talbot**

Thursday, 28 January 2016

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE CORPORATE DIRECTORS GROUP

2 FEBRUARY 2016

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

BUDGET MONITORING REPORT 2015/16

1 Purpose of Report

1.1 This is a monitoring report which provides details for Cabinet to scrutinise and review the overall Authority budget position.

1.2 The report is set out as follows:-

Section	Description
2	Current year financial position identifying the major variances for scrutiny by members
3	Grants awarded – outlining any changes in grant funding for member information
4	Budget virements – identifying those virements which require approval from members
5	Reserve movements –outlining proposed changes in the use of reserves for member approval
6	Future year FFP savings – identification of risks identified regarding current year savings strategies

1.3 Members are invited to request further detailed reports relating to the issues raised, for consideration by the relevant scrutiny board.

2 Current Year Financial Position

2.1 The Net Directly Controlled Budget is projected to under spend by £1.243m, plus there is a further projected underspend of £56k in the other elements of the budget (inclusive of proposed net

transfer to/from reserves). The net projected under spend is therefore £1.299m, as outlined in the table below.

	Original budget 2015/16	Revised budget 2015/16	Projected Outturn 2015/16	Variance
	£'000	£'000	£'000	£'000
ELLL Schools	77,802	77,802	77,802	0
ELLLL other	23,782	23,574	24,168	594
SSHH	79,946	79,931	78,168	-1,763
ENVT	28,542	28,431	28,793	362
CORP	17,056	17,186	16,750	-436
Directly controlled	227,128	226,924	225,681	-1,243
Other	41,164	41,368	41,312	-56
Budget Requirement	268,292	268,292	266,993	-1,299

- 2.2 The following paragraphs provide details of significant variances (>£50k) from the agreed budget for 2015/16, together with an explanation of the ways in which these variances are being managed.

Education, Leisure and Lifelong Learning

Out of County Placements (CYPE)

An overspend of £194k is projected due to a change in the banding and cost of 7 pupils attending Heronsbridge School, and the cost of additional pupils placed in out of county provision since the budget was set.

Leisure Trust (ECR)

The budget set for 2015/16 included £125k to fund the start-up and part year costs of the Aberafan Leisure and Fitness Centre. However the actual costs including legal and professional fees are projected to exceed the budget. The budget is projected to overspend by £85k.

There are other smaller overspends across a range of services and the net position is that the ELLL budget is projected to overspend by £594k (inclusive of proposed reserves and virements). Work is actively being undertaken to

identify further in year savings, to reduce this overspend by year end.

Social Services Health & Housing

Children – Social Work (CYPE)

An under spend of £125k is projected due to vacant posts.

Hillside - Secure Service (CYPE)

An under spend of £350k is projected due to savings on staff costs, and increased income due to optimization of occupancy, arising from an increase in the number of welfare placements.

Children – Internal Fostering Service (CYPE)

An under spend of £422k is projected due to a reduction in the number of children in internal foster placements. The budget was based on 240 children but currently there are 222.

Children – External Foster Service (CYPE)

An under spend of £211k is projected due to a reduction in the number of children in external foster placements. The budget was based on 101, but there are currently 84.

Central Services (SCHH)

An underspend of £104k is projected due to staff savings.

Child & Family Management (CYPE)

The service is projected to underspend by £81k due to savings on staff and legal costs.

Community Care Social Work (SCHH)

A new staffing structure to deliver the new Social work model has been introduced since the budget was set. Teams are now working with individuals regardless of age or disability. The budget is currently projected to underspend by £95k due to staff savings.

Elderly Social Work (SCHH)

An under spend of £106k is projected due to savings on staff and car allowances.

Elderly – Community Resource Team (SCHH)

An under spend of £359k is projected as a result of additional £484k ICF funding from Health and staff savings.

Elderly External Placements (SCHH)

The external domiciliary budget is projected to overspend by £534k. The budget was based on the provision of 8,500 hours per week, but due to additional demand 10,210 hours per week are currently being provided. Work is ongoing to reduce the number of hours provided by “right sizing” packages of care. The over spend however is partly offset by savings in residential care placements and direct payments and so the net effect is that the budget is projected to overspend by £153k.

LD External Placements (SCHH)

The budget is currently projected to overspend by £77k. This projection includes the cost of all known transition placements and savings identified to date from the Pathways to Independence project. Work is ongoing to identify further savings to reduce the over spend via the Pathways to Independence Project.

The net effect is that the SSHH budget is projected to under spend in year by £1.963m. However this has been reduced by a provision of £200k for doubtful recovery of historical debt.

Environment

Refuse Collection (E&H)

An over spend of £68k is projected due to a reduction in trade waste and bulk collection income, and the cost of purchasing the kit required to further roll out kerbside sorting of recycling waste.

Household Waste Recycling Centres (E&H)

The budget was cut to reflect a planned reduction in opening hours. However the change in opening hours has been postponed and hence the full year savings will not be realised in 2015/16. The budget is projected to overspend by £84k.

Civic buildings (ECR)

An underspend of £80k is projected due to savings in respect of water and electricity.

Engineering & Architectural Consultancy (E&H)

The income that the service is able to generate is governed by a formula based on total costs including corporate support service

recharges, and this is lower than budget. The services are currently projected to overspend by £161k.

The Environment budget is projected to over spend by £362k.

Corporate Services

Payroll (P&R)

An underspend of £55k is projected due to vacant posts, maternity leave and additional fees & charges.

Housing Benefit administration (P&R)

An under spend of £61k is projected due to additional income received from DWP for universal credit, and due to staff savings.

Legal services Childcare (P&R)

An under spend of £81k is projected due to staff savings, and income received for work undertaken for Cardiff City Council.

One Stop shop/customer services (P&R)

The underspend of £55k is due to vacant posts.

Electoral Registration & Elections (P&R)

An overspend of £52k is projected due to additional costs associated with Individual Electoral Registration.

The Corporate services budget is projected to underspend by £436k (net of virements and reserve transfers).

Other services

The following variances are identified in respect of non-directly controlled services:-

- Levies - £7k underspend
- Council tax support - £558k underspend
- Management of change - £706k overspend – this pressure reflects the anticipated cost of ER/VR for school based staff arising from the School Improvement Programme. These costs include the provision needed to cover such costs arising from staff changes relating to Ysgol Bae Baglan in August 2016.
- Miscellaneous – additional income of £84k has been received due to the transfer of retained profits from NPT Home Inspection Services LTD, which officially ceased to trade with effect from 30 September 2015 which will be transferred to the general reserve to meet any costs arising until such time that

the company is formally removed from the register at Companies House.

- Miscellaneous – £28k has been incurred in respect of Community Council Grant Scheme of which £25k is funded from the General Reserve.
- Contingency – the budget included a contingency of £610k of which £200k has not yet been committed.

The Net Authority Budget is currently projected to under spend by £1.299m.

All Management teams will continue to review services in order to maximise the reserves available to assist in delivering services in future year within reduced budgets.

A summary of the overall Net Authority budget is included in Appendix 1

3 Grants

Community Safety

A grant of £10,000 has been received from the Home Office to fund implementation of the new Prevent duty within the Community Safety service. The counter terrorism and Security Act 2015, which came into force from 1st July 2015, contains a duty to have due regard to prevent people from being drawn into terrorism. The grant will be used to establish a multi- agency partnership Channel Panel and to provide training in line with the Act.

Corporate Strategy

A grant of £70,000 has been awarded from the Ministry of Defence in relation to the Community covenant scheme, for a collective partnership known as Bulldog BCA – which is a partnership between Port Talbot Boxing club and the Boxing Community Action Charity. The money will be used to fund an extension and conversion of the buildings occupied by the boxing club to create a multi-functional activity centre that will help war veterans integrate into community life.

4 Budget Virements

- 4.1 The Council's Constitution requires the prior approval of any virement that does not involve a significant variation in the level or nature of the delivery of the service agreed by Council in the Revenue Budget as follows:-

Less than £100,000 – Corporate Directors
 More than £100,000 but less than £500,000 – Cabinet
 More than £500,000 – Council

- 4.2 Virements agreed by Corporate Directors are identified in Appendix 2
- 4.3 Virements requiring **Cabinet** approval are outlined below

Amount	Directorate	Service
(£21,000)	ELLL	Early retirement costs
(£200,000)	ELLL	School specific contingencies
(£15,000)	ELLL	Home to school transport
(£115,000)	ELLL	Post 16 Transport
£151,000	ELLL	Education Outside of school setting
£200,000	ELLL	Management and admin
£300,000	SSHH	Community Care Management
(£150,000)	SSHH	Community Care – social work
£266,000	SSHH	Residential Care – external provision
(£184,000)	SSHH	Home care
£68,000	SSHH	Community Meals
(£82,000)	SSHH	Day Opportunities – In house provision
(£198,000)	SSHH	Community Resource team
(£170,000)	SSHH	LD - Residential Care – Trem y Mor /Respite
(£55,000)	SSHH	LD - Community Independence service
(£119,000)	SSHH	LD - Day opportunities – complex needs
£324,000	SSHH	MH – external provision
(£260,000)	ENVT	Baglan Innovation centre
£260,000	ENVT	Non Operational Land acquisition

The net effect of all of the above virements are summarised in Appendix 1.

5 Reserve Movements

The following reserve movements are proposed as a result of issues arising during quarter 3.

Amount	Reserve	Explanation
(£92,000)	Home to School Transport	Transfer to reserve the saving arising 3 days Easter holidays to meet corresponding pressure in 2016/17.
£235,000	Waste	Utilise the reserve to purchase boxes and bags required to roll out the kerbside sorting of recycling.
(£50,000)	Corporate Equalisation	Transfer part of the underspend in Legal childcare to assist in funding FFP pressures in 2016/17.
(£15,000)	Corporate Equalisation	Transfer part of the under spend in HR to assist in funding FFP pressures in 2016/17.
(£35,000)	Corporate Equalisation	Transfer part of the underspend in Occupational Health to assist in funding the cost of maternity cover in 2016/17.
£150,000	Building Maintenance	£150k was transferred to the reserve at 31/3/15 to fund costs of works that have been completed in 2015/16
£31,000	Environment Equalisation	£31k was transferred to the reserve to meet costs incurred during 2015/16.
(£40,000)	Corporate Equalisation	The planned contribution from the reserve for Training is no longer required and therefore will remain in the reserve to be utilised during 2016/17.
(£20,000)	Occupational Health	The planned contribution from the reserve is no longer required and therefore will remain in the reserve to be utilised during 2016/17.

(£10,000)	Corporate Equalisation	The planned contribution from the reserve for OH is no longer required and therefore will remain in the reserve to be utilised during 2016/17.
(£150,000)	Digital Modernisation	Transfer an underspend from ICT £90,000 and Procurement £60,000 to create a new reserve to fund digital modernisation.
(£206,397)	Management of Change	Transfer additional funds to the reserve to meet the anticipated costs of school closures.
£808,760	Management of Change	Utilise reserve to fund agreed ERVR costs in August 2016 re school closures August 2016.
£26,008	ERVR	Education Directorate ERVR leavers to December 2015.
£107,900	Residential Care rent provision	Reduce the planned contribution to the reserve due to a reduction in lease income received following the closure of Caewern, Gorffwysfa and Hafod homes.
(£59,728)	Environment Legacy	The planned contribution from the reserve will not be required during 2015/16 and can therefore be rolled forward for use in 2016/17.
(£104,599)	Local Development Plan	The contribution from this reserve will not be required in full during 2015/16 and will therefore be rolled forward for use in 2016/17.
(£50,000)	Environment Equalization reserve	Transfer income received to fund expenditure in Industrial Estates.
(£50,000)	Corporate Equalisation	Transfer part of the underspend identified in respect of Housing Benefit administration to fund FFP pressures in 2016/17.
£2,000,000	ERVR/Transitional	To fund the anticipated cost of approximately 100 staff leaving on ER/VR.

	£'000
Opening balance on specific reserves 1/4/15	(28,155)
Changes arising from Audit 14/15	(232)
Budgeted contributions to /from reserves	1,403
Additional reserve movements previously approved	(738)
Additional reserve movements this quarter	2,476
Estimated closing balance on specific reserve 31/3/16	(25,246)

Details of all the above are included in Appendix 3

- 5.1 It is proposed that the surplus arising on the cessation of NPT Home Inspection services Ltd is transferred to the General Reserve

	£'000
Opening balance on the general reserve 1/4/15	(12,073)
Budgeted contributions to /from reserves	(369)
Change in opening balance arising from outturn 2014/15	(1,741)
Additional reserve movements previously approved	0
Additional reserve movements this quarter	(84)
Estimated closing balance on the general reserve 31/3/16	(14,267)

Details of all budgeted movements against the general reserve are included in Appendix 4.

6 Forward Financial Plan Monitoring 2015/16 to 2017/18

- 6.1 The list of savings strategies included in the budget for 2015/16 are outlined in Appendix 5, the colour coding indicating the progress being made in delivering the savings to date, the risks of not delivering the saving in full, and the steps being taken to mitigate against the risks.

Further work to update the FFP for 2016/17 and beyond will be separately reported to members.

7. Members Scrutiny

Scrutiny Members are invited to request further reports on selected items from within this report for consideration at the individual Scrutiny Committee.

8. **Consultation**

This item is not subject to external consultation.

9. **Recommendations**

It is recommended that:

- the budget monitoring information is scrutinised and management arrangements put in place to minimise overspends and the adverse impact on reserves.
- Members note the additional grants received
- the proposed reserve movements and budget virements are recommended for approval by Cabinet and that those exceeding £500,000 be commended to Council for approval

10. **Reason for Proposed Decision**

To update the Council's budget for additional grants received, budget virements and reserve movements in line with the Council's Constitution.

11. **Implementation of Decision**

The decision is proposed for implementation after consultation with the scrutiny committee and then consideration and approval by Council.

12. **Appendices**

Appendix 1 – Revenue Budget Summary 2015/16

Appendix 2 – Virements approved by Corporate Directors

Appendix 3 – Schedule of Specific Reserves

Appendix 4 – Schedule of General Reserve

Appendix 5 – Forward Financial Plan Savings Monitor

13. **Background Papers**

Budget working papers 2015/16

14. **Officer Contact**

For further information on this report item, please contact:

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Summary at Quarter 3 2015

	Original	Virements			Revised	Projected	Variance	Variance
	Budget	Quarter 1	Quarter 2	Quarter 3	Budget	Outturn		
	2015/16				2015/16	2015/16	2015/16	2015/16
	£				£	£	£	%
Education, Leisure and Lifelong Learning - Schools	77,802,000	0	0	0	77,802,000	77,802,000	0	0.00%
Education, Leisure and Lifelong Learning - Other	23,782,000	-130,152	-33,509	-44,000	23,574,339	24,168,091	593,752	2.52%
Social Services Health & Housing	79,946,000	0	-14,739	0	79,931,261	78,168,386	-1,762,875	-2.21%
Environment	28,542,000	-253,939	48,671	94,000	28,430,732	28,792,454	361,722	1.27%
Corporate Services	17,056,000	130,152	-423	0	17,185,729	16,750,214	-435,515	-2.53%
Directly Controlled Expenditure	227,128,000	-253,939	0	50,000	226,924,061	225,681,145	-1,242,916	-0.55%
Swansea Bay Port	51,000				51,000	49,497	-1,503	-2.95%
Fire Authority	6,797,000				6,797,000	6,796,610	-390	-0.01%
Margam Crematorium	2,000				2,000	1,688	-312	-15.60%
Archives	96,000				96,000	96,600	600	0.63%
Magistrates Court	19,000				19,000	13,352	-5,648	-29.73%
Capital Financing	16,826,000	253,939			17,079,939	17,079,939	0	0.00%
Council Tax Support	17,436,000				17,436,000	16,877,725	-558,275	-3.20%
Management of change	800,000				800,000	1,506,397	706,397	88.30%
Miscellaneous	0				0	3,000	3,000	0.00%
Contingency	610,000			-50,000	560,000	360,000	-200,000	-35.71%
Cont from Fire Authority Reserve	-21,000				-21,000	-21,000	0	0.00%
Cont to General Reserve	0				0	0	0	0.00%
Cont from General Reserve	0				0	0	0	0.00%
	269,744,000	0	0	0	269,744,000	268,444,953	-1,299,047	-0.48%
Outcome Agreement Grant	-1,452,000				-1,452,000	-1,452,000	0	0.00%
Net Budget Requirement	268,292,000	0	0	0	268,292,000	266,992,953	-1,299,047	-0.48%
RSG	-164,447,000				-164,447,000	-164,447,153	-153	0.00%
NNDR	-40,630,000				-40,630,000	-40,630,018	-18	0.00%
Discretionary rate relief	175,000				175,000	175,000	0	0.00%
Council Tax	-63,390,000				-63,390,000	-63,390,678	-678	0.00%
Total Funding	-268,292,000	0	0	0	-268,292,000	-268,292,849	-849	0.00%

Virements Agreed by Corporate Directors – during Quarter 3

Value	Directorate	Service
-10,650	SSHH	Community Care Management
10,650	SSHH	Business Support
45,000	SSHH	EHTS management & support
-30,000	SSHH	ENHT Enforcement
-15,000	SSHH	Trading Standards
-60,940	SSHH	Elderly – external residential /domiciliary placements
60,940	SSHH	Physical Sensory Disability - domiciliary care external provision
-28,410	SSHH	LD Day Opportunities Employment & Training
28,410	SSHH	LD Day Opportunities - complex needs
-5,000	ENVV	Highways maintenance - Streetworks
-16,831	ENVV	Drainage
15,985	ENVV	Network Management
-19,861	ENVV	Development Control
54,000	ENVV	Programme Management
-35,000	ENVV	Waste Policy
35,000	ENVV	Waste Disposal
-7,925	ENVV	Estates
1,116	ENVV	Asset & Energy Mgt
-8,376	ENVV	County Buildings
-71,746	ENVV	Civic Buildings
-2,001	ENVV	Lonlas Archive Unit
18,000	ENVV	Building Cleaning
70,932	ENVV	Civic Centres
-54,000	ENVV	Engineering Consultancy
36,987	ENVV	Corporate Services & Best Value
-9,058	ENVV	Support Services
57,322	ENVV	Planning Development Control
-21,691	ENVV	Planning – Policy
-35,631	ENVV	Biodiversity
-2,222	ENVV	Business Support & Research
50,000	ENVV	Afan Forest Park
15,000	CORP	Council Tax
-15,000	CORP	Housing Benefit Admin
-70,000	CORP	ICT
-25,800	CORP	HR
95,800	CORP	Equalisation Reserve
-50,000	OTHER	Council contingency

44,000	ENVV	Building Maintenance - Leisure Trust
-44,000	ELLL	Leisure Trust – Building Maintenance
-58,000	ELLL	Early Retirement Budget
55,000	ELLL	Education Welfare Service
46,000	ELLL	School Property Costs
-70,000	ELLL	Afan Nedd Franchise
-68,000	ELLL	Youth
95,000	ELLL	Leisure Trust

SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/15 £'000	2015/16 Budgeted Contribution to reserve £'000	2015/16 Budgeted Contribution from reserve £'000	Changes already agreed £'000	Changes proposed in Period £'000	Estimated Reserve Balance at 31/3/16 £'000
EDUCATION, LEISURE & LIFELONG LEARNING						
<i>Delegated Schools Cash Reserves</i>						
Primary Schools Reserve A/C	-2,124	0	0	0	0	-2,124
Secondary Schools Reserve A/C	-519	0	0	0	0	-519
Special Schools Reserve A/c	-120	0	0	0	0	-120
ER Reserve Primary	-14	-29	0	0	0	-44
Repair and Maintenance Reserve	-161	0	0	0	0	-161
	-2,939	-29	0	0	0	-2,968
<i>Education, Leisure and Lifelong Learning</i>						
School Improvement Reserve	-147	0	147	0	0	0
Education Equalisation Reserve	-1	0	0	0	0	-1
Home to school transport	0	0	0	0	-92	-92
	-148	0	147	0	-92	-93
Total Education Leisure & Lifelong Learning	-3,087	-29	147	0	-92	-3,061
SOCIAL SERVICES, HEALTH & HOUSING						
<i>Hillside Secure Unit</i>						
Hillside General Reserve	-1,670	-163	58	0	0	-1,776
<i>Other</i>						
Asset Recovery Incentive Scheme	-86	0	0	0	0	-86
Homecare ECM Equipment Reserve	-13	-19	0	0	0	-33
Community Care Transformation Reserve	-350	0	350	0	0	0
Social Services Equalisation	-173	0	150	0	0	-23
Residential Care - Rent Provision	-751	-186	0	0	108	-829
Youth Offending Team - Equalization	-87	0	0	0	0	-87
Total Social Services, Health and Housing	-3,131	-368	558	0	108	-2,834

SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/15 £'000	2015/16 Budgeted Contribution to reserve £'000	2015/16 Budgeted Contribution from reserve £'000	Changes already agreed £'000	Changes proposed in Period £'000	Estimated Reserve Balance at 31/3/16 £'000
ENVIRONMENT						
<i>Directorate</i>						
Concessionary Fare - Bus Pass	-122	0	0	0	0	-122
Replacement Reserve						
Local Development Plan	-266	0	245	0	-105	-126
Economic Development	0	-200	200	0	0	0
Winter Maintenance Reserve	-342	0	0	0	0	-342
Building Maintenance Reserve	-175	0	25	0	150	0
European Fund	-2	0	2	0	0	0
Environment Equalization Reserve	-70	0	0	0	-19	-89
Environment Legacy Reserve (SWTRA)	-60	0	60	0	-60	-60
	-1,036	-200	531	0	-33	-738
<i>Operating Accounts</i>						
Operating Account -Equalisation	-97	0	0	0	0	-97
Fleet Sentinel Maintenance Reserve	-100	0	15	0	0	-85
Vehicle Tracking	-14	0	0	0	0	-14
Operating Accounts -Vehicle Renewals	-1,446	-1,065	733	0	0	-1,778
	-1,657	-1,065	748	0	0	-1,974
Total Environment	-2,693	-1,265	1,280	0	-33	-2,712

SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/15 £'000	2015/16 Budgeted Contribution to reserve £'000	2015/16 Budgeted Contribution from reserve £'000	Changes already agreed £'000	Changes proposed in Period £'000	Estimated Reserve Balance at 31/3/16 £'000
FINANCE /CHIEF EXEC						
Elections Equalisation Fund	-130	-15	0	0	0	-145
Health & Safety/Occupational Health	-52	0	20	0	-20	-52
Development Fund for Modernisation	-56	-5	0	0	0	-61
Transformation/ Management Capacity, Development, Advisors etc.	-55	0	34	0	0	-21
IT Renewals Fund	-1,648	-77	268	0	0	-1,457
Corporate Services Equalisation Reserve	-677	0	347	-96	-200	-626
Building Capacity	-336	0	155	-50	0	-231
Management of Change Reserve	0	0	0	-602	602	0
Digital Modernisation	0	0	0	0	-150	-150
Total Finance /Chief Exec	-2,954	-97	824	-748	232	-2,743
CORPORATE RESERVES						
Insurance-Claims Reserve	-2,223	0	280	0	0	-1,943
Housing Warranties	-220	0	0	0	0	-220
Fire Authority Reserve	-94	0	0	21	0	-73
Waste Reserve	-733	0	75	0	235	-423
LAWDC Contingency Reserve	-988	0	0	0	0	-988
Treasury Management Equalisation Reserve	-2,516	0	0	0	0	-2,516
ER/VR - Transitional Reserve	-6,829	0	0	-11	2026	-4,815
Accommodation Strategy	-2,919	0	0	0	0	-2,919
Total Corporate Reserves	-16,522	0	355	10	2,261	-13,896
TOTAL ALL REVENUE RESERVES	-28,387	-1,760	3,163	-738	2,476	-25,246

SCHEDULE OF GENERAL RESERVE

	Original Estimate 2015/16	Revised Estimate 2015/16	Difference 2015/16
Opening balance 1st April	Cr 12,073	Cr 13,814	Cr 1,741
Council Tax Increased Income	Cr 1,400	Cr 1,400	0
Capital - Phase II Accommodation Financing Costs	370	370	0
Doubtful Debt Provision	160	160	0
Contributions to the Economic Development Fund	200	200	0
Community Councils Grant Scheme	25	25	0
Additional Funding – Social Services re timing of new homes coming on stream re Gwalia contract	96	96	0
Contribution from reserves re change in timing of savings envt556- waste disposal	100	100	0
SSIP programme	80	80	0
Transfer surplus arising on cessation of NPT Home Inspection Services Ltd		Cr 84	Cr 84
Contribution from /to revenue	0	0	0
Estimated Closing balance 31st March	Cr 12,442	Cr 14,267	Cr 1,825

The General Reserve will be updated at year end for any approved underspend on the 2015/16 Budget.

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ELLL502	Home to School/College Transport	Review discretionary arrangements and further rationalisation of routes. Total savings of £376k will be achieved over time	116	Additional requirement for transport arising from school closures will arise from Sept 2015	Inter directorate working group has been established to identify and monitor savings strategies
ELLL503	Gwaun Cae Gurwen Workshop	Close workshop	15		
ELLL505	Community Interaction Grant	Phased reduction of Grant	60		
ELLL507	Out of County Placements	Changes in Ages Profiles - children reaching the age of 19 and the impact of the provision of additional places at Maes-y-Coed Special School	50	Additional demand for out of county placements, Maes y Coed is currently operating at capacity	
ELLL508	Student Awards	Service to be centralised by Welsh Government - staff relocated.	50		
ELLL510	Various Services	Increase Income Target on Selected Budget Headings	20	Increase in charge may results in reduction in demand	
ELLL511	Various Services	Reduction in a number of core base budgets, e.g Margam Park, Youth Service, Families First	202		
ELLL512	Various Services	Innovative use of Specific Grant Funding. A number of services are funded by specific grants. It is envisaged that some of these grants will be rolled into the RSG in future years	134		
ELLL513	Various Services	Savings due to Vacancy Control / Incremental Drift Savings / Accommodation Review.	14		
ELLL514	All Services	Efficiencies from Procurement Savings	100		
ELLL516	Workforce Strategy Savings	Implement new grading structure	42		
ELLL518	Early Years Development	In year funding is no longer affordable. Individual school budgets are able to admit children following their 3rd birthday.	132		
ELLL520	Inclusion	Inclusion Review - target savings from review	180	Strategies for delivering savings not yet confirmed	
ELLL521	Bryncoch PRU	Close PRU and re-establish as a Learning Support Centre under wider governance model.	84		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ELLL523	Review of All Community services	All Community services including operational management across the County Borough Council have been reviewed. Where maintenance or transfer is not achieved, closure of facilities would result in less educational community events, sporting, healthy living, family contact and youth and playgroup facilities across the County Borough. The original FFP approved in January 2014 was £40k per annum.	390	Delay in closure or transfer of facilities	
ELLL524	Reduce subsidy to Celtic Leisure	The original FFP approved in January 2014 included a target saving of £100k. Additional savings of £125k has been consulted upon and will be incorporated for 2015/16, this includes the community transfer or closure of Hengwrt Barn and Cymmer Swimming Pool. £90k temporary funding has been included in the report to cover the opening of Cymmer Swimming Pool at reduced hours until December 2015	135		
ELLL544	Margam Orangery	Consider alternative service delivery options.	25	Alternative savings not yet identified in full.	
ELLL546	Lifelong Learning Central Support	Review existing patterns of Service Delivery - increased collaborative working with Neath and Port Talbot College	50		
ELLL549	Delegated Schools Funding	Cash limiting the Schools Delegated Budget Quantum to 1% above the Welsh Government Settlement. Budget provided of £77.8m	774		Schools utilise reserves to fund any overspends
ELLL551	Reduce the current Physical Activity and Sports Service Core Budget	Reduce activity within the Physical Activity and Sports Service. Reduce or withdraw subsidies to sports associations and governing bodies. Grant funded activities will continue.	150		
ELLL552	Withdraw Community Arts Activities	Reduce community arts provision across the County Borough	35		
ELLL553	Core funding of Youth service to be reduced	Rationalise Youth Club provision with fewer opportunities for young people to participate in youth provision.	100		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ELLL554	Welsh Translation Service to recover 100% of costs through increased charges to Service Users	Service users will incur an increased cost based on charges for this service being revised in line with market rates.	70	Reduction in demand due to increased charges	
ELLL555	Arts Administration	Reduced staffing levels and introduction of ticket booking fee	68		
ELLL556	Reduction in subsidies to Theatres and Arts Centres.	Potential reduction to opening hours of these facilities and/or a reduction of performance programme	186		
ELLL559	Range of efficiency measures to Library Services to include reduction in Book Fund, decommission of one Mobile Library, reduction in cleaning costs	Redeployment of staff, cuts in book fund, reduction in book lending provision. Risk of failure to meet Welsh Public Library Standards.	190		
ELLL560	Vacancy Management-Reduction of one head of service	This will result in increased managerial responsibilities for the Senior Management Team.	100		Directorate restructure implemented and reported
ELLL561	Renegotiate Union Facilities time to realise 50% reduction		25		
ELLL562	Reduce core budget at Margam Park	Savings achieved via service efficiencies	100		
ELLL563	Reduce School based counselling and restructure current service	Reduce access to school based counselling service across all Secondary schools	25		
ELLL564	Summer Play Scheme provision to be withdrawn	Reduced access to play for children across the borough during the summer holidays	90		
ELLL565	Reduce Families First base budget	Expectation of increased efficiencies in the allocation and administration of Grant Funding	80		
ELLL566	Reduced contribution to Blaengwynfi Miners Hall	Potential reduction in current activities	20		
ELLL567	Withdraw the Adaptions and Improvements budget	The costs will have to be met by schools	93		Schools utilise reserves to fund any overspends
ELLL568	Reduce contributions to Voluntary Organisations	Potential decrease in community activity within the Borough	20		
ELLL569	Contribution to Field Studies Council	This will lead to increased charges for pupils attending the Outdoor Education Centre.	65		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ELLL570	Increased cost recovery on Cleaning Service to Schools and efficiencies within Access Managed Services	Increased costs funded from Primary and Secondary schools budgets risk of outsourcing by schools	130		Schools utilise reserves to fund any overspends
ELLL571	Transfer the costs of School Licence fees to the Schools	Costs would have to be met by Schools	50		Schools utilise reserves to fund any overspends
ELLL572	Review residual Management post	Possible displacement of member of staff	67		
ELLL574	Reduce Music Tuition base budget	Reduced access to music provision across the County Borough	50		
ELLL575	Reduction in budget at Cefn Coed Colliery museum	Further reduction in public opening hours	20		
ELLL576	ELLL savings from ERVR	Reduction in capacity and/or expertise	200	Insufficient staff accepting ERVR	
ELLL577	Reduce base budget for School Improvement Service	The service will prioritise its support for schools according to identified need.	70		
ELLL578	ELLL - Insurance recharges		40		
SSHH511	Business Strategy & Public Protection	Savings following Introduction of Foundation Apprentice Scheme	78		
SSHH514	Workforce Strategy Savings	Implement new grading structure	81		
SSHH516	Homecare - Review of savings opportunities	Continue to improve the efficiency of the Homecare Service	88		
SSHH517	Community Care Older Persons	Cessation of some Day Services, reduction of operating days and review of day service opportunities for Older People, in line with the TASC project.	111		
SSHH518	Community Care Older Persons	Provide Community meals only to those service users meeting current eligibility criteria and remove inefficiencies in the way the service operates	50	Reduction in demand for services, delay in implementing changes	
SSHH522	Community Care - Young Adults	Implementation of Pathways to Independence approach (PTI) in transition to reduce the over support of young people moving from children to adult services	500		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
SSHH524	Community Care - Learning Disability Services	Restructure of management duties and introduction of different skill mix of staff. Review of transportation and commissioned services	201		
SSHH528	Housing Services	Social letting agency regional service - generate additional income through increased number of tenancies	10		
SSHH529	Housing Services	Maximise rental income from rental accommodation	25		
SSHH540	Childrens Services	Savings arising from ongoing reductions in Looked After Children	700		
SSHH541	Workforce - Senior Management Restructure	Review Senior Management Structure	290		
SSHH542	Establish Common Commissioning Unit incorporating Community Care, Supporting People and Children's Commissioning functions	Implement new structure	90		
SSHH543	Restructure of Social Work Teams	Review of Social Work workforce to operate as efficiently as possible	83		
SSHH544	Reduction of number of posts per Social Work Team	Need to improve productivity and efficiencies in all teams	150		
SSHH545	Day Opportunities - Review of Workforce skill mix	Service will operate at maximum efficiency	75		
SSHH546	Sickness Management cover costs	Target reduction in sickness costs	250		
SSHH547	Amalgamate the Social Work QA function within the Adult Safeguarding Team		35		
SSHH548	Restructure within Housing Options and Housing Renewals and Adaptations		150		
SSHH549	Additional savings from the Pathways to Independence project (PTI), reducing the cost of care packages	Mental Health	122	Savings offset by additional demand for service	

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
SSHH550	Additional savings from the Pathways to Independence project (PTI), reducing the cost of care packages	Physical & Sensory Support	45	Savings offset by additional demand for service	
SSHH551	Additional savings from the Pathways to Independence project (PTI), reducing the cost of care packages	Learning Disabilities	500	Savings offset by additional demand for service	
SSHH552	Review of contracts with Hafal and Shaw Trust		80		
SSHH553	Review provision of Gelligron Residential and Respite unit for people with Mental Health problems	The current services are consistently under occupied and the service model is to be modernised.	100		
SSHH555	Remove subsidy from COASTAL Housing for extra care		49		
SSHH557	Maximise housing rental income		35		
SSHH558	Increased income from Care Home Residents		100		
SSHH559	Reduce transport expenditure by 10%		115	Inability to make alternative transport arrangements	Significant savings have been identified to date
SSHH560	Assistive Technology	Reduce Costs	14		
SSHH561	Assistive Technology	Increase charges	23		
SSHH562	Remove Care Home Quality Scheme	Quality scheme implemented will be good practice and supported by a recognition scheme rather than any financial incentive	259		
SSHH563	Cap fee levels paid to Mental Health and all Disability Service Providers to current or lower level	Adverse Service provider response	259		
SSHH564	Implement full cost recovery model for Community Meals	Transfer staff from Environment	150		
SSHH565	Modernise Day opportunities in Disability Services	Generate income via micro enterprises and reduce costs	100		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
SSHH568	Review and restructure services within the Business Services Division	Preserve right number and mix of foundation apprentices to experienced staff	60		
SSHH569	Remodel the administration of the Complaints Service	Reduction of 1fte	30		
SSHH570	SSHH - Insurance recharges		5		
ENV502	General Env	ER/VR savings from the Directorate.	150		
ENV508	Workforce Strategy Savings	Implement new grading structure	42		
ENV510	Staff Training Budget	Will reduce training opportunities which will be partially offset as staff numbers reduce	25		
ENV511	Marketing Budget	Saving target	2		
ENV512	Stationery and Administration	Saving target	3		
ENV513	Non replacement of staff on retirement	Non replacement of staff on retirement	40		
ENV514	Building Support expenditure reduction	Review service delivery	30		
ENV515	Car Parking	Further parking policy review	29		
ENV516	Road Safety	Increase Income	10		
ENV518	Fleet review - reduction in fleet size to reflect service changes	Revised service provision and savings to fuel, tax etc	50		
ENV526	Fleet Maintenance	Savings from staff retirement and procurement	45		
ENV533	Property increase income and reduce expenditure	Will be possible once current arrangements are reviewed	50		
ENV534	Building Maintenance reduce expenditure	Will impact on the condition of the County's buildings	25		
ENV535	Civic Buildings	Cease Annual contribution into Civic Building Maintenance Reserve	50		
ENV547	SWTRA maintenance income	Build income from SWTRA maintenance activity into base budget	50	This may be at risk dependant on discussions with Welsh Government about the future of the Agency	Position is being closely monitored

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ENV548	Public Lighting stop night time patrol - improved data available once Lighting Improvement Scheme is completed	Stop night time patrol - improved data available once Lighting Improvement Scheme is completed	25		
ENV549	Public Lighting energy dimming - savings from Lighting Renewal Project	Energy savings from existing Lighting Renewal Project	15		
ENV555	Outdoor Sports	Sports fields - Lease facilities to sports clubs or organisations and ensure that any strategically retained facilities are fully funded by users.	150		
ENV556	Waste Disposal	Convert MREC to a transfer station	200	Dependant on the outcome of an external procurement exercise	The 2015/16 FFP savings have been matched by the existing service provider
ENV557	Country Parks	Discussions ongoing re Lease of Afan Forest Park to third party. Saving will only be realised if service is transferred on 1st April. Contingency budget may be required.	200	Discussions are still ongoing with NRW but a pressure may arise if the transfer does not take place	The majority of savings have been identified but the service will not transfer to NRW. Alternative savings are being sought.
ENV560	Waste Enforcement	Reduce staff by one	25		
ENV561	Gully Cleansing	Reduce frequency of cleansing	65		
ENV574	LDP	Savings at end of plan include reduction in staff	87		
ENV576	Contaminated Land reduce monitoring	Reduce contaminated land and air quality monitoring	10		
ENV589	Reduce subsidy to Canteens	Reduction in operating hours at Neath and Port Talbot. Buy in food rather than make on site.	100		
ENV590	Reduce subsidies to Bus Operators	Reduction in Public Transport which will impact on some residents and their travelling arrangements for some £200k plus other transport cost savings	234		
ENV591	Reduce subsidy for Gnock Country Park		142		
ENV592	Public Lighting		126		
ENV593	Bus Shelter	Reduce maintenance by 10%	5		
ENV594	Street Naming	Reduce maintenance by 10%	5		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
ENV595	Civic Centre Savings	Saving following transfer of Princess Royal Theatre	40	Transfer likely to be delayed plus the saving is an estimate and is subject to a rates revaluation of the civic centre	Alternative savings have been delivered
ENV596	Sandfields Young Business Centre	Increase to rental Income	5		
ENV597	Biodiversity and Countryside	Reduce budget	88		
ENV598	Building Control & Planning	Reduce Cost/Increase Income	50		
ENV599	Reduction in Senior Management	Will impact on capacity	100		
ENV600	ER/VR target	This is in addition to the existing £150k target ENV502	275		
ENV601	Feasibility Budget	15% budget cut	24		
ENV602	Staff Training Budget	Further cut to reflect decrease in staff numbers	5		
ENV603	Neath Civic Centre	Income from Solar Panels	5		
ENV604	Social Services Transport	Fuel efficiency	25		
ENV605	Pelenna Mine	Transfer of responsibility to Coal Authority	26		
ENV606	Corporate Capacity	Reduce budget by 10%	24		
ENV607	Cemeteries	Reduction in casual staff	10		
ENV609	ENVT - Insurance recharges		50		
CORP503	Workforce Strategy Savings	Implement new grading structure	52		
CORP506	Legal	Bring in house and procure legal work	50	This strategy has already been included in previous years and so will be unachievable here	Alternative savings have been delivered
CORP509	Childcare Legal	Reduce external legal fees	7		
CORP512	Litigation/ Commercial Law	Reduce cost of insurance legal work	30		
CORP521	Finance & Revenues - staff savings	Restructure of service and systems. Savings created from deletion of vacant posts and VR exercise.	65		
CORP522	Finance - Miscellaneous Expenditure Heads	Base budget and procurement reductions across various expenditure heads	110		
CORP524	Finance & Revenue Services	Staff savings - ERVR	39		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
CORP534	Electoral	Income generated through introduction of individual electoral registration	20		
CORP538	Democratic Services	Reduce stationery budget - streamlined committee administration and greater reliance on electronic methods of working for both Officers and Elected Members	10		
CORP542	Democratic Services	Stop Courier Service for Members	10		
CORP558	ICT staff reductions	Efficiencies, recharge costs to projects, transformation reserve	30		
CORP561	ICT	Staff savings via ER/VR and deletion of posts	20		
CORP562	ICT	Reduce contribution into IT Renewals Reserve	50		
CORP565	Increased income generation from the Court Deputy Service	Introduction of new charges from April 2015	30	Delays in implementing charges	Approval to implement from June 2015, therefore only part year saving in 2015/16. Alternative savings within the division have been delivered.
CORP566	Reduce the opening hours of the cash offices at both Neath and Port Talbot Civic Centres, plus efficiency savings in the cashiering service.	Proposed daily opening hours from 10am to 3pm at both Neath and Port Talbot Civic Centres. Currently open 8:45am to 4.30pm (4pm on Friday)	50		
CORP567	Review and re-structure of services within the Financial Services Division to allow a number of staff to leave on VR.	This will mean a significant reduction in terms of the staff resources available within the Finance Division. This can only be achieved by thoroughly reviewing the services provided. Whilst these reviews create efficiencies, there will still be an inevitable diminution of the services provided alongside increased workloads and pressure on the staff that remain.	165		
CORP568	Wales Audit Office (WAO) fees	Reviews of working practices to create greater efficiencies which will lead to the reduced requirement for inspection and hence charges from WAO.	30		
CORP569	Finance - Use of 14/15 underspend to meet savings target in 15/16.	The 15/16 shortfall will be met in 2016/17.	32	Savings strategies need to be identified for 1617	Alternative strategies have been delivered in 2015/16

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
CORP571	Performance Audit Fees	Reduced cost of WAO performance audit fees	26		
CORP572	Reduce Elections Team Staffing Resource	Less resilience within Elections team.	7		
CORP573	Income Target for CS&DS Division	Seek out income opportunities, mainly grant funding, to reduce pressure on council revenue budget	15		Alternative strategies have been delivered in 2015/16
CORP574	Complete winding up of Change Management and Innovation Unit	No dedicated corporate capacity to support the council's change agenda	170		
CORP575	Reduce capacity in Customer Services	Reduction in service performance	40		
CORP579	CS&DS - Use of 2014/15 underspend to meet savings target in 2015/16.	The 2015/16 shortfall will be met in 2016/17.	121	Savings strategies need to be identified for 1617	Alternative strategies have been delivered in 2015/16
CORP581	HR-Increase income from Hillside SLA to reflect level of service demand. Current provision of £8k per annum does not reflect the service required.	With increased income the HR team will be able to continue to provide the service required by Hillside.	25		
CORP582	Reduce Corporate Training & Development Management Development / Leadership Development budget	Reduced provision of Management and Leadership Development. This will adversely impact upon the Council's ability to deliver the Council's change programme.	20		
CORP583	Reduce administrative support staff and professional support staff across HR / Health & Safety / Occupational Health / Training & Development NB: this includes planned FFP reductions of £31k / £38k / £35k over the 3 years (3 FTE)	Significantly reduced capacity across the 4 teams. Some work will be transferred to managers, a less flexible service will be available, some work will not be done and delayed response times in relation to some parts of the service. There are also some significant risks attached to reducing capacity that will impact on supporting Disciplinary Grievance Investigations, supporting managers in relation to sickness Management, reducing the ability to support Construction Design and Management Projects together with other Health & Safety work and reducing Corporate Training and development activity.	156		

Ref	Description	Main Impacts	£'000	Risk of not achieving full saving	Actions to mitigate against risks
CORP585	Legal - General Admin reductions		20		
CORP586	Reduction Coroner budget	Joint Service with Swansea Council, potential variation in caseload and costs	20	Uncertain at present as to scope of potential caseload and costs	
CORP587	Staffing Child Care Legal	Loss of trainee post	25		
CORP588	Legal Services	Loss of trainee post	25		
CORP589	Increase income target Registrar		10		
CORP590	Recharge to Licensing/increased income		10		
CORP593	Legal - Use of 2014/15 underspend to meet savings target in 2015/16.	The 2015/16 shortfall will be met in 2016/17.	15	Savings strategies need to be identified for 1617	Alternative strategies have been delivered in 2015/16
CORP594	ICT - ERVR savings - realised in 2014/15		64		
CORP597	ICT - Efficiencies	Recharge costs to projects, bring future year savings forward	60		
CORP598	ICT - Strategies to be identified	Staff savings and limit renewal of contracts	126		
CORP599	Corporate services - Insurance recharges		5		

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NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE HEAD OF FINANCIAL SERVICES

2nd FEBRUARY 2016

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED – ALL

CAPITAL BUDGET MONITORING 2015/16

Purpose of Report

1. To provide Members with information in relation to delivery of the 2015/16 Capital Programme.

Background

2. On 4th February 2015 Council approved its Capital Programme for 2015/16, the report detailed planned Capital Expenditure totalling £66.821m for the financial year. This programme was updated as part of the second quarter budget monitoring cycle during which Members approved an updated programme totalling £73.627m.
3. The purpose of this report is to update Members as to the delivery of this Programme as at 31st December 2015 and to seek approval for a further updated budget position.

Targeted Achievements

4. As Members are aware the following achievements are being targeted during this financial year:
 - Progressing with the building of Ysgol Bae Baglan, the £40.7m '3-16' new build school at Western Avenue, Baglan Bay.
 - Construction and re-modelling works at the existing Ysgol Gyfun Ystalyfera Comprehensive School site.

- The completion of a replacement leisure facility at Aberafan Seafront.
- Completion of the first phase of the re-development of Neath Town Centre which includes the construction of a new multi storey car park and the first 23,000 square feet of retail space.

Changes to the approved Budget

5. The approved budget shown in the table below includes changes to the programme approved by Council in November. The main changes proposed for the updated budget are:
- A major re-profiling of the Regeneration Programme which has seen circa £4m of expenditure re-profiled from 2015/16 into subsequent financial years. The Regeneration programme remains volatile and largely reliant on funding approvals from outside bodies. The programme is subject to monthly monitoring arrangements which involve Finance and Regeneration Officers and is reported to Capital Programme Steering Group on a quarterly basis.
 - Re-profiled expenditure in relation to:
 - Ysgol Newydd Bae Baglan which has reduced the 2015/16 budget from £23.036m to £22.020m with a subsequent increase in 2016/17.
 - Ysgol Gyfun Ystalyfera 3-18 project where £0.95m has been re-profiled from 2015/16 into 2016/17.
 - Bont Fawr Aqueduct where, due to the requirement to re-tender, £0.4m has been re-profiled into 2016/17.

2015/16 Capital Expenditure

6. Details of Capital Expenditure as at 31st December 2015 is outlined in the table on the following page:

Table 1 – Capital Budget and spend 2015/16

	Latest Approved Budget £'000	Proposed Budget £'000	Actual @ 31st Dec 2015
Ysgol Newydd Bae Baglan	23,036	22,020	15,350
Ysgol Gyfun Ystalyfera 3-18	6,003	4,971	2,862
Schools Capital Maintenance	1,044	1,044	1,071
School Re-organisation – transportation works	152	152	144
Aberavon Leisure & Fitness Centre	6,600	6,600	6,285
Highways and Engineering – Maintenance Programme	1,679	1,724	1,184
PDR – Land Compensation Claims	649	649	107
Bus Corridor Improvements	988	400	257
Port Talbot Integrated Transport Hub	1,080	1,080	103
Road Safety Grant / Safer Routes – Various Projects	743	743	212
Gypsy and Traveller Grant – Caegarw Site Pitch Extension	1,500	1,500	503
Major Bridge Strengthening	1,040	640	38
Bryn Road Embankment Failure	375	375	13
Afan Valley A4107 retaining edge protection	375	375	6
Neath Town Centre – Phase 1	2,568	2,869	2,654
Physical Regeneration	6,211	2,146	1,975
Vibrant and Visible Places (VVP)*	4,162	3,754	610
Street Lighting Replacement	4,100	4,100	2,749
Recycling Collection Vehicles	804	804	886
Health and Safety	1,027	1,072	909
Disabled Facilities Grants	3,000	3,000	2,121
Housing Renewal Areas	920	920	227
Contingency	382	360	0
Remaining Capital Programme	5,189	5,431	2,449
Total	73,627	66,729	42,715

Risk Management

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

Consultation

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

Recommendations

9. It is recommended that Members:
 - As outlined in Table 1, approve and commend to Council the proposed 2015/16 budget of £66.729m.
 - Note the position in relation to expenditure as at 31st December 2015.

Reasons for proposed decisions

10. To update the capital programme for 2015/16 and inform Members of the current year spend to date.

Implementation of Decisions

11. The decisions are proposed for implementation after consultation with the Scrutiny Committee and approval by Council.

List of Background Papers

12. Capital Programme working files
13. Grant notifications

Officer Contact

14. For further information on this report item, please contact:

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NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

2 FEBRUARY 2016

SECTION A – MATTER FOR DECISION

WARDS AFFECTED: ALL

PROPOSED AMENDMENT TO THE COUNCILS TREASURY MANAGEMENT POLICY AND MINIMUM REVENUE PROVISION (MRP) POLICY FOR 2015/16

Purpose of Report

1. The purpose of this report is to seek approval for changes to the Council's Minimum Revenue Provision (MRP) policy. The most recent policy was approved by Council on 4th February 2015 as part of the Annual Treasury Management Strategy.
2. This report needs to be considered in the context of the Council's current financial position. The Cabinet meeting of 30th September received a report from the Corporate Directors Group which outlined a budget shortfall of £18m for 2016/17 and £50m over the next four years. Consultation has been carried out on a range of savings proposals totalling some £20m over the next two years.

Background

Introduction – What is Minimum Revenue Provision?

3. Capital expenditure is defined as expenditure on assets which have a life expectancy of more than one year e.g. buildings or infrastructure improvements. Some of this capital expenditure is funded from borrowing which can be either:

- Supported borrowing i.e. funding provided by the Welsh Government to cover the debt charge costs as included in the Council's Revenue Support Grant (RSG).
 - Unsupported borrowing more commonly known as prudential borrowing where the Council determines that it can meet the borrowing costs itself. The Welsh Government provides no funding for prudentially borrowed capital expenditure.
4. Local Authorities have a statutory duty to set aside each year part of their revenue budget as a provision for the repayment of this borrowing, this is known as the Minimum Revenue Provision (MRP).
 5. This report deals with the Councils MRP policy in relation to supported borrowing, the MRP policy in relation to unsupported borrowing remains unchanged from the version approved by Council.

Financial Impact

Capital Financing Requirement / External Borrowing Position

6. It is important in the context of this report that Members note the overall position in relation to the Council's borrowing portfolio, the position as at 31st March 2015 is detailed below:

Table 1 – External Borrowing Position as at 31st March 2015

	£'000
Total capital expenditure funded by supported borrowing outstanding	154,250
Total capital expenditure funded by un-supported/prudential borrowing outstanding	82,466
Total Capital Financing Requirement	236,716
Total Actual External Borrowing	194,224
Total amount of capital expenditure funded by internal cash resources	42,492

7. The purpose of this note is to make Members aware of the amount of internal cash used to support capital expenditure, this cash would otherwise have been invested and be earning low rates of interest.

Minimum Revenue Provision – Statutory Duty

8. In accordance with the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 the Council is required to:

“...calculate for the current year an amount of minimum revenue provision which it considers to be prudent”

Minimum Revenue Provision – Welsh Government Guidance

9. The Welsh Government have issued guidance in relation to the setting of MRP policy. The Council is required by Section 21(B) of the above mentioned regulation to “have regard” to this guidance.
10. This guidance states that the broad aim of prudent provision is to ensure that the debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by the Welsh Government reasonably commensurate with the period implicit in the determination of that grant.
11. The following is an extract from the Welsh Government’s informal commentary on the guidance:

‘OPTIONS FOR PRUDENT PROVISION

Four ready-made options are included in the guidance (and there are two alternatives under Option 3). The options are those likely to be most relevant for the majority of authorities but other approaches are not meant to be ruled out, provided they are fully consistent with the statutory duty to make prudent revenue provision. Authorities must always have regard to the guidance, but having done so, may in some cases consider that a more individually designed MRP approach is justified.

...the decision on what is prudent is for the Authority and it is not for the Welsh Government to say in particular cases whether any proposed arrangement is consistent with the statutory duty.

The Council's proposed MRP Policy for Supported Borrowing

12. The Council to date is repaying its supported borrowing debt using Option 1 of the above guidance, referred to as the Regulatory Method. Under this method the amount of debt is written down annually by 4% on a reducing balance basis. As at 31st March 2015 the Council has a total amount of supported borrowing debt outstanding of £154m which provides a write down of £6.17m in 2015/16.
13. Officers have reviewed this method and have determined that this does not constitute the most prudent provision for the repayment of debt. This is due to the fact that by using the reducing balance method it will take approximately 422 years to fully extinguish this debt and even by the end of 2064/65, i.e. in 50 years' time, there will still be circa £20m of debt to pay off.
14. As the Council is free to determine its own method for determining the prudent provision for repayment of debt it is now proposed that it would be appropriate, affordable and reasonable for the Council to amend its MRP policy through an adaptation of the regulatory method so that a fixed amount of 2% of the outstanding debt balance as at 31st March of the previous year is repaid. This equates to a 50 year repayment period which is broadly consistent with the lives of assets funded and maintained by supported borrowing.
15. The current system of local government finance has evolved considerably in recent years and it is now extremely difficult to relate Welsh Government RSG support for debt repayment. Since 2008 when the current ability to borrow monies to fund capital expenditure on the basis of prudence, affordability and local decisions came into effect, the Welsh Government now only provides financial support to fund their "supported capital funding decisions". The previous link between government support for debt repayment and the annual MRP charge has been further eroded due to the reduction in overall Council funding levels resulting from the recent austerity measures. Therefore in relation to the notion that the Council should link its MRP policy to the support provided within the RSG grant settlement it is felt that this is no longer relevant.
16. The introduction of this proposed MRP policy has the effect of reducing the Councils MRP charges for the first 17 years and increasing them thereafter until all of the debt is paid off i.e. in 50

years' time. After the 50 years then there is an annual saving until the debt would have been paid off under the old method i.e. years 51 to 422.

17. By amending the MRP policy and re-phasing the repayment of debt as proposed then a total budget saving of £3.085m is available in the current year followed by £9.968m over the next 4 years as outlined in the table below:

Table 2 – Savings on supported debt outstanding at 31st March 2015

Year	Current Method	Revised Charge	Saving
	£'000	£'000	£'000
2015/16	6,170	3,085	3,085
2016/17	5,923	3,085	2,838
2017/18	5,686	3,085	2,601
2018/19	5,459	3,085	2,374
2019/20	5,240	3,085	2,155
Total for 4 years			9,968

18. As has previously been noted the revised MRP policy will lead to increased charges for years 18 to 50. In order to determine the Net Present Value of this change in policy a calculation has been carried out using the Treasury's recommended discount rate of 3.5%. Details of this calculation can be found at Appendix 1 of this report.
19. The calculation shows that the net present value of the savings in years 1-17 totals £20.336m compared to the net present value of the increased costs for years 18-50 which totals £12.344m.
20. Therefore as the Council's Section 151 Officer I am satisfied that this revised approach to MRP is prudent and therefore complies with the Council's statutory duties in respect of MRP and debt repayment requirements.

Additional interest payable

21. A reduction in Minimum Revenue Provision will have the effect of increasing the amount of borrowing required in subsequent financial years. Table 2 above refers to a reduced MRP charge of £3m, this reduced charge will have the effect of increasing interest payable in

future years by approximately £120k per annum. The net effect of the saving and additional interest payable needs to be considered when determining the impact on the Forward Financial Plan.

Supported Borrowing for Capital Programme Funding Requirements 2015-2020

22. As part of the Local Government Settlement the Welsh Government provides new funding available to support Capital Expenditure. For 2015/16 this amounts to:-

	£'000
Specific Capital Grant	2,660
Supported borrowing approved	<u>4,372</u>
Total Welsh Government support	<u>7,032</u>

23. It is assumed that Welsh Government will continue to provide similar funding support over the next 4 years. As a consequence the revenue budget will need to increase by £245k per annum including interest to repay this borrowing.

Treasury Budget Revenue Costs

24. Table 1 shows that whilst total borrowing for the Council amounts to £236.7m, external loans taken out total £194.2m. Therefore the Council is using £42.5m of its internal funds i.e. reserves, provisions, trust fund and other deposits such as Planning Boards to reduce its interest costs. As Members are aware the Council is able to borrow monies from Banks, other institutions and the Public Works Loan Board (PWLB). The interest rates offered by the PWLB are for loan periods from 2 years to 50 years. Appendix 2 provides details of the interest rates as at 9th December 2015.
25. As Members are aware the Council invests its surplus cash in order to minimise overall Treasury Management costs. The interest rates generated on such investments is much lower than the costs of borrowing. As Members are aware the Bank of England interest rate has been 0.5% since March 2009 and is predicted to remain at this level until quarter 2 or later in 2016. Maximising the use of internal funds to fund capital borrowing generates savings of between 2% to 3%. However, as interest rates are currently at an all-time low future increases in borrowing rates have to be

considered and factored into the medium and longer term Treasury Management Policy.

Overall Impact on the Forward Financial Plan (FFP)

26. If Members approve this revised policy it is proposed that a savings target of £2m be included for 2016/17 and within the Forward Financial Plan which will reduce the amount of savings required from other Council services. It will also provide an underspend of some £2.9m in the current year which can be set aside into the ER/VR reserve.

Equality Impact

27. 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.
28. The proposal to amend the Councils Minimum Revenue Policy has no impact on services or service users hence there is no requirement for a full EIA.

Workforce Impacts

29. There are no direct HR implications arising from this policy proposal. The savings identified from amending the policy will enable the Council to deliver its FFP savings which in turn will protect services and jobs.

Consultation

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

Sustainable Development

31. As the Council’s Section 151 Officer I have considered the implications of the Wellbeing of Future Generations (Wales) Act

2015 and can find nothing in the Act that detracts from the conclusion that this revised policy complies with the requirement to make prudent provision for the repayment of debt

Recommendation

32. It is recommended that Cabinet commend to Council the approval of the revised Minimum Revenue Provision (MRP) policy for the 2015/16 financial year.

Reasons for Proposed Decision

33. To ensure that the Council complies with its statutory requirement to calculate Minimum Revenue Provision charges which it considers to be prudent.

Implementation of Decision

34. The decisions are proposed for implementation immediately after consultation with the Cabinet Scrutiny Committee and determination by Council.

Appendices

35. Appendix 1 – Detailed calculation of savings including Net Present Value Calculation.
36. Appendix 2 – PWLB Interest Rates as at 9th December 2015.

List of Background Papers

37. Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008.
38. Welsh Assembly Government – Guidance on Minimum Revenue Provision

Officer Contact:

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APPENDIX 1

Detailed calculations – Implementation of revised MRP policy

Financial Year	No of years	MRP - 4% reducing balance Current £'000	MRP - 2% Straight Line Proposed £'000	(Saving)/ Increase p.a £'000	NPV of (Saving)/ Increase £'000	Total NPV of (Saving)/ Increase £'000
2015/2016	1	6,170	3,085	-3,085	-2,981	
2016/2017	2	5,923	3,085	-2,838	-2,649	
2017/2018	3	5,686	3,085	-2,601	-2,346	
2018/2019	4	5,459	3,085	-2,374	-2,069	
2019/2020	5	5,240	3,085	-2,155	-1,815	
2020/2021	6	5,031	3,085	-1,946	-1,583	
2021/2022	7	4,830	3,085	-1,745	-1,371	
2022/2023	8	4,636	3,085	-1,551	-1,178	
2023/2024	9	4,451	3,085	-1,366	-1,002	
2024/2025	10	4,273	3,085	-1,188	-842	
2025/2026	11	4,102	3,085	-1,017	-697	
2026/2027	12	3,938	3,085	-853	-564	
2027/2028	13	3,780	3,085	-695	-445	
2028/2029	14	3,629	3,085	-544	-336	
2029/2030	15	3,484	3,085	-399	-238	
2030/2031	16	3,345	3,085	-260	-150	
2031/2032	17	3,211	3,085	-126	-70	-20,336
2032/2033	18	3,082	3,085	3	1	
2033/2034	19	2,959	3,085	126	65	
2034/2035	20	2,841	3,085	244	123	
2035/2036	21	2,727	3,085	358	174	
2036/2037	22	2,618	3,085	467	219	
2037/2038	23	2,513	3,085	572	259	
2038/2039	24	2,413	3,085	672	294	
2039/2040	25	2,316	3,085	769	325	
2040/2041	26	2,224	3,085	861	352	
2041/2042	27	2,135	3,085	950	375	
2042/2043	28	2,049	3,085	1,036	395	
2043/2044	29	1,967	3,085	1,118	412	
2044/2045	30	1,889	3,085	1,196	426	
2045/2046	31	1,813	3,085	1,272	438	
2046/2047	32	1,741	3,085	1,344	447	

Financial Year	No of years	MRP - 4% reducing balance Current £'000	MRP - 2% Straight Line Proposed £'000	(Saving)/ Increase p.a £'000	NPV of (Saving)/ Increase £'000	Total NPV of (Saving)/ Increase £'000
2047/2048	33	1,671	3,085	1,414	454	
2048/2049	34	1,604	3,085	1,481	460	
2049/2050	35	1,540	3,085	1,545	464	
2050/2051	36	1,478	3,085	1,607	466	
2051/2052	37	1,419	3,085	1,666	466	
2052/2053	38	1,362	3,085	1,723	466	
2053/2054	39	1,308	3,085	1,777	465	
2054/2055	40	1,256	3,085	1,829	462	
2055/2056	41	1,205	3,085	1,880	459	
2056/2057	42	1,157	3,085	1,928	455	
2057/2058	43	1,111	3,085	1,974	450	
2058/2059	44	1,066	3,085	2,019	444	
2059/2060	45	1,024	3,085	2,061	438	
2060/2061	46	983	3,085	2,102	432	
2061/2062	47	944	3,085	2,141	425	
2062/2063	48	906	3,085	2,179	418	
2063/2064	49	870	3,085	2,215	411	
2064/2065	50	835	3,085	2,250	403	12,344

Data Date: 20-Jan-2016

PWL B

INTEREST RATE NOTICE NUMBER 026/16

FIXED RATES FOR TRANSACTIONS AGREED AFTER 12:15 ON 20 JAN 2016

Use arrows (above) to scroll through pages of report. To export the information from this report click on one of the buttons at the end of this page.

This report displays the current PWLB Standard Fixed Interest Rates. For a given loan type and term, the PWLB Certainty New Loan Rate is calculated by subtracting 0.20% (i.e. 20 basis points) from the comparable PWLB Standard New Loan Rate, and the PWLB Project New Loan Rate is calculated by subtracting 0.40% (i.e. 40 basis points) from the comparable PWLB Standard New Loan Rate. Certainty Rates and Project Rates only apply to new loans, not premature repayment of loans.

Period (years)	Standard New Loan Rates						Premature Repayment Rates					
	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
1 year	-	-	-	-	1.33	(+0.02)	-	-	-	-	0.21	(+0.02)
Over 1 not over 1½	-	-	-	-	1.41	(+0.02)	0.21	(+0.02)	0.21	(+0.02)	0.21	(+0.02)
Over 1½ not over 2	1.37	(+0.02)	1.37	(+0.02)	1.50	(+0.02)	0.21	(+0.02)	0.21	(+0.02)	0.29	(+0.02)
Over 2 not over 2½	1.41	(+0.02)	1.41	(+0.02)	1.59	(+0.02)	0.25	(+0.02)	0.25	(+0.02)	0.38	(+0.02)
Over 2½ not over 3	1.45	(+0.02)	1.46	(+0.02)	1.69	(+0.03)	0.29	(+0.02)	0.29	(+0.02)	0.47	(+0.02)
Over 3 not over 3½	1.50	(+0.02)	1.50	(+0.02)	1.78	(+0.02)	0.33	(+0.02)	0.34	(+0.02)	0.57	(+0.03)
Over 3½ not over 4	1.55	(+0.03)	1.55	(+0.03)	1.87	(+0.02)	0.38	(+0.02)	0.38	(+0.02)	0.66	(+0.02)
Over 4 not over 4½	1.59	(+0.02)	1.59	(+0.02)	1.96	(+0.02)	0.43	(+0.03)	0.43	(+0.03)	0.75	(+0.02)
Over 4½ not over 5	1.64	(+0.02)	1.64	(+0.02)	2.05	(+0.03)	0.47	(+0.02)	0.47	(+0.02)	0.84	(+0.02)
Over 5 not over 5½	1.69	(+0.03)	1.69	(+0.02)	2.13	(+0.03)	0.52	(+0.02)	0.52	(+0.02)	0.93	(+0.03)
Over 5½ not over 6	1.73	(+0.02)	1.74	(+0.03)	2.21	(+0.03)	0.57	(+0.03)	0.57	(+0.02)	1.01	(+0.03)
Over 6 not over 6½	1.78	(+0.02)	1.79	(+0.03)	2.28	(+0.03)	0.61	(+0.02)	0.62	(+0.03)	1.09	(+0.03)
Over 6½ not over 7	1.83	(+0.03)	1.83	(+0.02)	2.34	(+0.02)	0.66	(+0.02)	0.67	(+0.03)	1.16	(+0.03)
Over 7 not over 7½	1.87	(+0.02)	1.88	(+0.02)	2.41	(+0.02)	0.71	(+0.03)	0.71	(+0.02)	1.22	(+0.02)
Over 7½ not over 8	1.92	(+0.03)	1.93	(+0.03)	2.47	(+0.02)	0.75	(+0.02)	0.76	(+0.02)	1.29	(+0.02)
Over 8 not over 8½	1.96	(+0.02)	1.97	(+0.02)	2.53	(+0.02)	0.80	(+0.03)	0.81	(+0.03)	1.35	(+0.02)
Over 8½ not over 9	2.01	(+0.03)	2.02	(+0.03)	2.58	(+0.01)	0.84	(+0.02)	0.85	(+0.02)	1.41	(+0.02)
Over 9 not over 9½	2.05	(+0.03)	2.06	(+0.02)	2.63	(+0.01)	0.89	(+0.03)	0.90	(+0.03)	1.46	(+0.01)
Over 9½ not over 10	2.09	(+0.03)	2.10	(+0.02)	2.68	(+0.01)	0.93	(+0.03)	0.94	(+0.02)	1.51	(+0.01)
Over 10 not over 10½	2.13	(+0.03)	2.14	(+0.02)	2.73	(+0.01)	0.97	(+0.03)	0.98	(+0.02)	1.56	(+0.01)
Over 10½ not over 11	2.17	(+0.03)	2.19	(+0.03)	2.78	(+0.01)	1.01	(+0.03)	1.02	(+0.02)	1.61	(+0.01)
Over 11 not over 11½	2.21	(+0.03)	2.22	(+0.02)	2.83	(+0.02)	1.05	(+0.03)	1.07	(+0.03)	1.66	(+0.01)
Over 11½ not over 12	2.24	(+0.02)	2.26	(+0.02)	2.87	(+0.01)	1.09	(+0.03)	1.10	(+0.02)	1.71	(+0.02)
Over 12 not over 12½	2.28	(+0.03)	2.30	(+0.02)	2.92	(+0.02)	1.12	(+0.02)	1.14	(+0.02)	1.75	(+0.01)
Over 12½ not over 13	2.31	(+0.02)	2.34	(+0.03)	2.96	(+0.01)	1.16	(+0.03)	1.18	(+0.02)	1.80	(+0.02)
Over 13 not over 13½	2.34	(+0.02)	2.37	(+0.02)	3.00	(+0.01)	1.19	(+0.02)	1.22	(+0.03)	1.84	(+0.01)
Over 13½ not over 14	2.38	(+0.02)	2.41	(+0.02)	3.04	(+0.01)	1.22	(+0.02)	1.25	(+0.02)	1.88	(+0.01)
Over 14 not over 14½	2.41	(+0.02)	2.44	(+0.02)	3.08	(+0.01)	1.26	(+0.02)	1.29	(+0.02)	1.92	(+0.01)
Over 14½ not over 15	2.44	(+0.02)	2.47	(+0.02)	3.12	(+0.02)	1.29	(+0.02)	1.32	(+0.02)	1.96	(+0.01)
Over 15 not over 15½	2.47	(+0.02)	2.50	(+0.01)	3.15	(+0.01)	1.32	(+0.02)	1.35	(+0.02)	2.00	(+0.02)
Over 15½ not over 16	2.50	(+0.02)	2.53	(+0.01)	3.19	(+0.02)	1.35	(+0.02)	1.38	(+0.01)	2.03	(+0.01)
Over 16 not over 16½	2.53	(+0.02)	2.56	(+0.01)	3.22	(+0.01)	1.38	(+0.02)	1.41	(+0.01)	2.07	(+0.02)
Over 16½ not over 17	2.55	(+0.01)	2.59	(+0.01)	3.25	(+0.01)	1.41	(+0.02)	1.44	(+0.01)	2.10	(+0.01)
Over 17 not over 17½	2.58	(+0.01)	2.62	(+0.01)	3.28	(+0.01)	1.43	(+0.01)	1.47	(+0.01)	2.13	(+0.01)
Over 17½ not over 18	2.61	(+0.02)	2.65	(+0.01)	3.30	(+0.01)	1.46	(+0.01)	1.50	(+0.01)	2.16	(+0.01)
Over 18 not over 18½	2.63	(+0.01)	2.68	(+0.01)	3.33	(+0.01)	1.49	(+0.02)	1.53	(+0.01)	2.18	(+0.01)

Period (years)	Standard New Loan Rates						Premature Repayment Rates					
	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
Over 18½ not over 19	2.66	(+0.02)	2.71	(+0.01)	3.35	(+0.01)	1.51	(+0.01)	1.56	(+0.01)	2.21	(+0.01)
Over 19 not over 19½	2.68	(+0.01)	2.74	(+0.02)	3.37	(+0.01)	1.54	(+0.02)	1.59	(+0.01)	2.23	(+0.01)
Over 19½ not over 20	2.71	(+0.01)	2.76	(+0.01)	3.39	(+0.01)	1.56	(+0.01)	1.62	(+0.02)	2.25	(+0.01)
Over 20 not over 20½	2.73	(+0.01)	2.79	(+0.01)	3.41	(+0.01)	1.59	(+0.01)	1.64	(+0.01)	2.27	(+0.01)
Over 20½ not over 21	2.76	(+0.02)	2.82	(+0.01)	3.43	(+0.02)	1.61	(+0.01)	1.67	(+0.01)	2.29	(+0.01)
Over 21 not over 21½	2.78	(+0.01)	2.85	(+0.02)	3.44	(+0.01)	1.64	(+0.02)	1.70	(+0.01)	2.31	(+0.02)
Over 21½ not over 22	2.80	(+0.01)	2.87	(+0.01)	3.45	(+0.01)	1.66	(+0.01)	1.73	(+0.02)	2.32	(+0.01)
Over 22 not over 22½	2.83	(+0.02)	2.90	(+0.01)	3.46	(+0.01)	1.68	(+0.01)	1.75	(+0.01)	2.33	(+0.01)
Over 22½ not over 23	2.85	(+0.01)	2.92	(+0.01)	3.47	(+0.01)	1.71	(+0.02)	1.78	(+0.01)	2.34	(+0.01)
Over 23 not over 23½	2.87	(+0.01)	2.95	(+0.01)	3.48	(+0.01)	1.73	(+0.01)	1.80	(+0.01)	2.35	(+0.01)
Over 23½ not over 24	2.89	(+0.01)	2.97	(+0.01)	3.48	(+0.01)	1.75	(+0.01)	1.83	(+0.01)	2.36	(+0.01)
Over 24 not over 24½	2.92	(+0.02)	3.00	(+0.01)	3.49	(+0.01)	1.77	(+0.01)	1.85	(+0.01)	2.36	(+0.01)
Over 24½ not over 25	2.94	(+0.01)	3.02	(+0.01)	3.49	(+0.01)	1.80	(+0.02)	1.88	(+0.01)	2.37	(+0.01)
Over 25 not over 25½	2.96	(+0.01)	3.05	(+0.01)	3.49	(+0.01)	1.82	(+0.01)	1.90	(+0.01)	2.37	(+0.01)
Over 25½ not over 26	2.98	(+0.01)	3.07	(+0.01)	3.49	(+0.01)	1.84	(+0.01)	1.93	(+0.01)	2.37	(+0.01)
Over 26 not over 26½	3.00	(+0.01)	3.09	(+0.01)	3.49	(+0.01)	1.86	(+0.01)	1.95	(+0.01)	2.37	(+0.01)
Over 26½ not over 27	3.02	(+0.01)	3.12	(+0.01)	3.49	(+0.01)	1.88	(+0.01)	1.97	(+0.01)	2.37	(+0.01)
Over 27 not over 27½	3.04	(+0.01)	3.14	(+0.01)	3.49	(+0.01)	1.90	(+0.01)	2.00	(+0.01)	2.37	(+0.01)
Over 27½ not over 28	3.06	(+0.01)	3.16	(+0.01)	3.49	(+0.01)	1.92	(+0.01)	2.02	(+0.01)	2.37	(+0.01)
Over 28 not over 28½	3.08	(+0.01)	3.18	(+0.01)	3.49	(+0.01)	1.94	(+0.01)	2.04	(+0.01)	2.36	(+0.01)
Over 28½ not over 29	3.10	(+0.01)	3.20	(+0.01)	3.48	(+0.01)	1.96	(+0.01)	2.06	(+0.01)	2.36	(+0.01)
Over 29 not over 29½	3.12	(+0.02)	3.22	(+0.01)	3.48	(+0.01)	1.98	(+0.01)	2.08	(+0.01)	2.35	(+0.01)
Over 29½ not over 30	3.13	(+0.01)	3.24	(+0.01)	3.47	(+0.01)	2.00	(+0.02)	2.10	(+0.01)	2.35	(+0.01)
Over 30 not over 30½	3.15	(+0.01)	3.26	(+0.01)	3.47	(+0.01)	2.01	(+0.01)	2.12	(+0.01)	2.34	(+0.01)
Over 30½ not over 31	3.17	(+0.01)	3.28	(+0.01)	3.46	(+0.01)	2.03	(+0.01)	2.14	(+0.01)	2.34	(+0.02)
Over 31 not over 31½	3.19	(+0.02)	3.30	(+0.01)	3.46	(+0.02)	2.05	(+0.01)	2.16	(+0.01)	2.33	(+0.01)
Over 31½ not over 32	3.20	(+0.01)	3.31	(+0.01)	3.45	(+0.01)	2.07	(+0.02)	2.18	(+0.01)	2.32	(+0.01)
Over 32 not over 32½	3.22	(+0.01)	3.33	(+0.01)	3.44	(+0.01)	2.08	(+0.01)	2.19	(+0.01)	2.32	(+0.02)
Over 32½ not over 33	3.23	(+0.01)	3.34	(+0.01)	3.44	(+0.02)	2.10	(+0.01)	2.21	(+0.01)	2.31	(+0.01)
Over 33 not over 33½	3.25	(+0.01)	3.36	(+0.01)	3.43	(+0.01)	2.11	(+0.01)	2.22	(+0.01)	2.30	(+0.01)
Over 33½ not over 34	3.26	(+0.01)	3.37	(+0.01)	3.42	(+0.01)	2.13	(+0.01)	2.24	(+0.01)	2.29	(+0.01)
Over 34 not over 34½	3.28	(+0.01)	3.39	(+0.02)	3.41	(+0.01)	2.14	(+0.01)	2.25	(+0.01)	2.29	(+0.02)
Over 34½ not over 35	3.29	(+0.01)	3.40	(+0.01)	3.41	(+0.02)	2.16	(+0.01)	2.27	(+0.02)	2.28	(+0.01)
Over 35 not over 35½	3.30	(+0.01)	3.41	(+0.01)	3.40	(+0.01)	2.17	(+0.01)	2.28	(+0.01)	2.27	(+0.01)
Over 35½ not over 36	3.32	(+0.01)	3.42	(+0.01)	3.39	(+0.01)	2.18	(+0.01)	2.29	(+0.01)	2.26	(+0.01)
Over 36 not over 36½	3.33	(+0.01)	3.43	(+0.01)	3.38	(+0.01)	2.20	(+0.01)	2.30	(+0.01)	2.26	(+0.01)
Over 36½ not over 37	3.34	(+0.01)	3.44	(+0.01)	3.38	(+0.01)	2.21	(+0.01)	2.31	(+0.01)	2.25	(+0.01)
Over 37 not over 37½	3.35	(+0.01)	3.45	(+0.02)	3.37	(+0.01)	2.22	(+0.01)	2.32	(+0.01)	2.24	(+0.01)
Over 37½ not over 38	3.36	(+0.01)	3.45	(+0.01)	3.36	(+0.01)	2.23	(+0.01)	2.33	(+0.02)	2.24	(+0.01)
Over 38 not over 38½	3.37	(+0.01)	3.46	(+0.01)	3.36	(+0.01)	2.24	(+0.01)	2.33	(+0.01)	2.23	(+0.01)
Over 38½ not over 39	3.38	(+0.01)	3.47	(+0.01)	3.35	(+0.01)	2.25	(+0.01)	2.34	(+0.01)	2.23	(+0.02)
Over 39 not over 39½	3.39	(+0.01)	3.47	(+0.01)	3.35	(+0.02)	2.26	(+0.01)	2.35	(+0.01)	2.22	(+0.01)
Over 39½ not over 40	3.40	(+0.01)	3.48	(+0.01)	3.34	(+0.01)	2.27	(+0.01)	2.35	(+0.01)	2.22	(+0.02)
Over 40 not over 40½	3.41	(+0.01)	3.48	(+0.01)	3.34	(+0.02)	2.28	(+0.01)	2.36	(+0.01)	2.21	(+0.01)
Over 40½ not over 41	3.42	(+0.01)	3.49	(+0.02)	3.33	(+0.01)	2.29	(+0.01)	2.36	(+0.01)	2.21	(+0.01)
Over 41 not over 41½	3.43	(+0.02)	3.49	(+0.01)	3.33	(+0.01)	2.30	(+0.01)	2.37	(+0.02)	2.20	(+0.01)
Over 41½ not over 42	3.43	(+0.01)	3.49	(+0.01)	3.32	(+0.01)	2.31	(+0.02)	2.37	(+0.01)	2.20	(+0.01)
Over 42 not over 42½	3.44	(+0.01)	3.49	(+0.01)	3.32	(+0.01)	2.31	(+0.01)	2.37	(+0.01)	2.20	(+0.01)
Over 42½ not over 43	3.45	(+0.02)	3.49	(+0.01)	3.32	(+0.01)	2.32	(+0.01)	2.37	(+0.01)	2.19	(+0.01)
Over 43 not over 43½	3.45	(+0.01)	3.49	(+0.01)	3.31	(+0.01)	2.33	(+0.02)	2.37	(+0.01)	2.19	(+0.01)

Standard New Loan Rates							Premature Repayment Rates					
Period (years)	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
Over 43½ not over 44	3.46	(+0.01)	3.49	(+0.01)	3.31	(+0.01)	2.33	(+0.01)	2.37	(+0.01)	2.19	(+0.01)
Over 44 not over 44½	3.46	(+0.01)	3.49	(+0.01)	3.31	(+0.01)	2.34	(+0.01)	2.37	(+0.01)	2.19	(+0.01)
Over 44½ not over 45	3.47	(+0.02)	3.49	(+0.01)	3.31	(+0.01)	2.34	(+0.01)	2.37	(+0.01)	2.19	(+0.01)
Over 45 not over 45½	3.47	(+0.01)	3.49	(+0.01)	3.31	(+0.01)	2.35	(+0.02)	2.37	(+0.01)	2.19	(+0.02)
Over 45½ not over 46	3.47	(+0.01)	3.49	(+0.01)	3.31	(+0.02)	2.35	(+0.01)	2.37	(+0.01)	2.19	(+0.02)
Over 46 not over 46½	3.48	(+0.01)	3.49	(+0.01)	3.31	(+0.02)	2.35	(+0.01)	2.37	(+0.01)	2.19	(+0.02)
Over 46½ not over 47	3.48	(+0.01)	3.49	(+0.01)	3.31	(+0.02)	2.36	(+0.01)	2.37	(+0.02)	2.19	(+0.02)
Over 47 not over 47½	3.48	(+0.01)	3.49	(+0.02)	3.31	(+0.02)	2.36	(+0.01)	2.36	(+0.01)	2.19	(+0.02)
Over 47½ not over 48	3.49	(+0.02)	3.48	(+0.01)	3.31	(+0.02)	2.36	(+0.01)	2.36	(+0.01)	2.19	(+0.02)
Over 48 not over 48½	3.49	(+0.01)	3.48	(+0.01)	3.31	(+0.01)	2.37	(+0.02)	2.36	(+0.01)	2.19	(+0.02)
Over 48½ not over 49	3.49	(+0.01)	3.48	(+0.01)	3.31	(+0.01)	2.37	(+0.01)	2.35	(+0.01)	2.19	(+0.01)
Over 49 not over 49½	3.49	(+0.01)	3.47	(+0.01)	3.31	(+0.01)	2.37	(+0.01)	2.35	(+0.01)	2.19	(+0.01)
Over 49½ not over 50	3.49	(+0.01)	3.47	(+0.01)	3.31	(+0.01)	2.37	(+0.01)	2.35	(+0.02)	2.19	(+0.01)

Rates determined for residual contractual obligations for periods in excess of 50 years will be:

New Loan Rates							Premature Repayment Rates					
Period (years)	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
	3.49	(+0.01)	3.47	(+0.02)	3.31	(+0.01)	2.37	(+0.01)	2.35	(+0.02)	2.19	(+0.01)

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NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE CORPORATE DIRECTORS GROUP

2 FEBRUARY 2016

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

BUDGET 2016/17

1 Purpose of Report

1.1 The purpose of the report is to

- Provide Cabinet with details of financial issues affecting the Budget and Forward Financial Plan.
- Review and confirm the latest position for 2015/16
- Consider the Settlement Announcement made by Welsh Government in relation to Local Government funding and the prevailing financial environment
- Consider Neath Port Talbot County Borough Council's 2016/17 Revenue budget including service pressures, savings solutions and equality impact assessments.
- Agree the principles in relation to fees and charges for Council services.

2 Background

2.1 When the budget for 2015/16 was approved in February 2015, the medium term budget forecast, assumed a 3% reduction in funding from the Welsh Government for 2016/17 and 2017/18.

2.2 On the 8th July the Chancellor of the Exchequer delivered a budget setting out his priorities for further reductions in public spending until 2019/20, which included a departmental spending review to report on 25th November with targeted reductions of £20bn.

- 2.3 The Institute of Fiscal Studies (ISF) reported that average departmental spending cuts of 18% plus could be expected for unprotected services.
- 2.4 As a result of these announcements the anticipated reduction in Council funding was increased to -5% for 2016/17 and -4% pa for the following 2 years. This resulted in an estimated budget gap of £18m in 2016/17 and £50m over the next 4 years, as reported to members on 30th September 2015.
- 2.5 The Welsh Government announcement of the provisional settlement (usually issued in October) was delayed until 9th December, following the outcome of the central government spending review. The settlement for Neath Port Talbot was considerably better at -0.5% than had previously been estimated by some £9.2m. However, the settlement also includes new monies to passport to Education and Social Services of £30m and £21m respectively.
- 2.6 The Final Local Government settlement will not be confirmed until 2nd March. Any changes will be included in a report to Cabinet on 10th March 2016.
- 2.7 In setting the Budget, Members have to consider the requirement of delivering its statutory services, as well as those other services that the public and users have come to expect. The challenge has been to set a budget at activity levels that are sustainable and equitable. Members also have to consider the demand for services and changes to these services in light of the impact on:
- Service users
 - Employees
 - Legislation including the Equality Act 2010 considerations
 - Income generation
 - Council tax level
 - Welsh Government improvement targets

3 Executive summary

- 3.1 This report firstly identifies that based on the quarter 3 budget monitoring figures, Council Services overall will be delivered within the 2015/16 cash limit of £268.3m. As in previous years the ER/VR reserve will be utilised to fund the cost of the council's early retirement/voluntary redundancy scheme. It is estimated

that around a 100 staff will leave at a cost of £2m reducing the estimated balance on that specific reserve at year-end to £4.8m. However, this will increase to £7.7m should Members approve the amendment to the Council's Minimum Revenue Provision Policy (separate report today's meeting).

- 3.2 The Welsh Government provisional settlement for Neath Port Talbot shows a reduction in Aggregate External Finance, after adjustment for grants transferred into Revenue Support Grant (RSG), of -0.5%. This is £9.2m better than previously estimated but when the Council's share of the new monies for Education at £1.4m and Social Care at £1.1m are taken into account, the net position is £6.7m better than estimated. There are other additional pressures arising from Government Policy that also need to be taken into account e.g. national insurance abatement, reduction in specific grants etc.
- 3.3 Neath Port Talbot Council's net budget for 2016/17 amounts to £270.9m which includes the transfers into the settlement of £1.452m for the Outcome Agreement Grant.
- 3.4 A comprehensive review of Council services and the structure of the budget proposals for 2016/17 was reported to Cabinet on 30th September 2015. This report highlighted the need to make savings of £18m in 2016/17 and more than £50m over the next 4 years. It also sought member approval to go out to public consultation on the savings proposals contained within the report.
- 3.5 As a result of the provisional settlement, the savings required will now be lower. Members will note within this report that directorate savings totalling £11.5m, together with a Council Tax increase of 2.9%, are required to ensure that the Council sets a balanced budget for the 2016/17 financial year. General Reserves are projected for 31st March 2017 at £15m and Specific Reserves at £26.8m.
- 3.6 Welsh Government has only provided funding details for 2016/17 and we will have to wait until next Autumn for future years funding announcements. However it is envisaged that funding for Local Government in Wales will continue to fall over the next few years at a rate of 3.5% in 2017/18, 3.5% for 2018/19 and 2.0% in 2019/20. Further work will be required to update the Forward Financial Plan to 2019/20 and to identify additional

income/savings in order to balance the annual budgets for that period. It is projected that savings of some £36m will be needed over the 3 years to March 2020.

- 3.7 As Members are aware the Welsh Government have announced that they will publish the final Local Government settlement on the 2nd of March 2016 with a debate in their Chamber on the 9th of March 2016. Any changes arising from the final settlement will be incorporated into a report for Cabinet and Council approval on the 10th of March 2016. Council will also be asked at that meeting to set the Council Tax for this Authority, the Police and Crime Commissioner and Town and Community Councils.

4 Latest Budget Position 2015/16

- 4.1 The position for 2015/16 has been updated to reflect the latest income & expenditure in the current year.
- 4.2 Variations to net expenditure levels are considered as part of the regular budget monitoring reports to Cabinet, and are included in this latest position. The most recent budget monitoring report shows a projected net underspend of some £1.3m. The final actual position will be reported to Members by June 2016.
- 4.3 Full details of all pressures and savings have been considered by Cabinet and scrutinised throughout the year.
- 4.4 The Revised Budget is included in the budget summary shown as Appendix 1.

5 Welsh Government Draft Budget

- 5.1. An analysis of the UK Government's Budget distribution to the Welsh Government shows the following information:-

	Welsh Government Revenue Block Grant	Local Government Provisional Settlement (Wales)
2016/17	+0.85%	-1.4%
2017/18	+0.92%	NA
2018/19	+0.46%	NA
2019/20	+0.61%	NA

NB: NA = Not Available

5.2. Whilst the above table shows a positive increase in the Welsh Government's Revenue Block Grant over the next four years this growth is mainly due to the Health Service consequential of UK government funding policies. The likelihood is that the Welsh Government will also prioritise Health Service spending in Wales over the next 4 years. The consequence being, that annual funding reductions can then be expected for all other public services.

5.3. The Welsh Government has also made available to Health Boards an additional £20m of funds for the Intermediate Care Fund. This increases the total funding to £50m for joint working between Health and Social Services. The Western Bay Partnership will review its plans once the funding conditions have been announced and any additional monies made available to this Council will be reported to Members.

6 Welsh Government Settlement Announcement

6.1 The Minister for Local Government and Government Business announced the provisional Local Government Settlement on 9th December. The Final settlement is to be published on 2nd March.

6.2 The headline figures included within the settlement are:

	All Wales	NPT
2016/17 decrease in Aggregate External Finance (AEF) after adjustment for grants transferred	-1.4%	-0.5%

6.3 New Monies/Budget Protection

The provisional settlement includes £30m new monies for Education and requires Local Authorities to ensure that spending on schools is protected by 1% above the change in the Welsh Government's overall revenue budget, as adjusted to take account of any increase or decrease in pupil numbers each year. This budget protection amounts to £1.44m.

Welsh Government Budget	Schools Budget
0.85%	1.85%

- 6.4 The settlement also includes an additional £21m for Social Services which equates to £1.1m for this Council.
- 6.5 The above figures include the following former grant which has been transferred into the settlement.

Outcome Agreement	£1.452m
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Details of the All Wales grant position included in the provisional settlement are included in Appendix 2.

7 The Council's Revenue Budget

- 7.1 The Cabinet Board report of the 30th September sought approval to commence consultation on 6 improvement objectives or priority areas, and the savings proposals, leading up to the budget setting meeting of today.
- 7.2 The detailed budget included at Appendix 1 sets out the expenditure and funding for 2016/17, which is summarised below.

	2015/16	2016/17	Changes
	£'000	£'000	£'000
Net Revenue Expenditure	269,744	270,887	1,143
Improvement Agreement Grant	-1,452	0	1,452
Net Revenue Budget	268,292	270,887	2,595
Funded by:			
Revenue Support Grant	164,447	163,129	-1,318
Non Domestic Rates	40,630	42,438	1,808
Discretionary Rate Relief	-176	-210	-34
Council Tax Yield	63,391	65,530	2,139
Total Funding	268,292	270,887	2,595

- 7.3 The annual change in the budget is summarised as follows:-

	£'000	£'000
Revised Guideline Budget 2015/16		268,292
Inflation and Pay awards		2,705
Grant/funding streams transferred into RSG		1,452
Service Pressures & New Monies		7,483
Schools Additional funding		1,814

	£'000	£'000
Increase in levies		56
Council Tax Support		80
Other – including one off Streetcare funding		1,229
Total Requirement		283,111
Savings identified		
- Capital Financing		-672
Directorate savings		
- Education, Leisure and Lifelong Learning	-1,438	
- Social Services, Health and Housing	-6,711	
- Environment	-1,661	
- Corporate	-1,630	
- Other	-112	-11,552
Budget 2016/17		270,887

7.4 The savings have been identified as a result of a prolonged and intensive level of professional and Cabinet Member input, which has examined current service provision and then proposes fundamental changes in the way Council operates and delivers services.

7.5 Proposals have been subject to consultation with the public, partners, staff and trade unions, and where appropriate with service users, have been scrutinised by the relevant committees, and prepared in the context of prioritising the following improvement objectives:-

Safer Brighter Futures	Better outcomes for children and young people - to improve outcomes for children in need and looked after
Better Schools, Brighter Prospects	Strategic School Improvement Programme - to raise educational standards and attainment
Improving Outcomes, Improving Lives	Promoting high quality, responsive, citizen centred social care – to maximise the number of adults able to live independently, or without support in the home of their choice

Prosperity for All	Promoting economic growth – by investing in our town centres and communities to maximise job opportunities and improve access to employment
Reduce, Reuse, Recycle	Towards zero waste, to increase the % of waste recycled and composted
Digital by Choice	Improving customer experience and making better use of public money

- 7.6 Further work will be required during 2016/17 to ensure that the savings identified are delivered, and details are included in Appendix 3. Each individual Cabinet Board/Scrutiny Committee will meet throughout the year to scrutinise the implementation of the proposals and to monitor their achievement.
- 7.7 Pay award – the budget allows for a 1% pay award for all staff – subject to the terms of the workforce strategy outlined below
- Green book staff on grades 5 to 11 will be assimilated to the revised pay and grading structure. The assimilation is being phased in by the Council retaining the equivalent of half the annual pay award, for those staff on the top spinal point of each grade.
 - Green book staff on grades 12 and 13, Chief Officers, Soulbury, Youth and Community workers will make a pay contribution equivalent to the monetary value of the difference between the penultimate and maximum points of their respective grades as at 1st April. The Council will retain half of the annual pay award for all staff on these grades.
 - Councillors paid a salary above grade 4 will voluntarily contribute half of the annual pay award
 - Teachers are not part of the workforce agreement
- 7.8 Price & income inflation – price inflation has been allowed on a selective basis and total income receipts have been assumed to increase by 1%, as a result of changes in price and volume.
- 7.9 Accepted service pressures – a review of service pressures has been undertaken and the following sums have been included in the budget

	£'000
Education Leisure and Lifelong Learning	1,247
Social Services and Housing	2,446
Environment	1,086
Corporate	478
Pay and Pensions provision	1,511
Contingency	715
TOTAL	7,483

Further details of these service pressures are included in Appendix 4.

7.10 Pay and Pensions Provision

A Pension provision of just over £1m has been made in 2016/17 to cover the guaranteed funding level required by the Local Government Pension Fund Actuary. This is in addition to the 24% of pensionable pay included in Directorate Service Budgets. £0.5m has also been provided for additional pay costs and pay award offer for the lower paid Green Book staff.

7.11 Members should also note that included within accepted pressures a budget provision of over £1.5m has been made to cover the UK Government's policy change through the withdrawal of the National Insurance abatement allowance.

7.12 Capital Financing costs/prudential borrowing - £16.408m is included in the budget to meet the cost of capital financing charges. A separate report setting out the Council's capital programme is included on the agenda for today. Members should note that this budget allows for increased loan repayment costs of the capital programme including the 21st Century Schools and new borrowing. The budget also incorporates £2m of savings arising from the change to the Council's Minimum Revenue Provision Policy, subject to a separate report to today's meeting. These savings have been achieved and will help protect jobs and services within the County Borough.

7.13 External bodies - The following provisions have been made in respect of levies and contributions to external bodies:

	2015/16	2016/17	Inc/dec
	£'000	£'000	£'000
Mid & West Wales Fire & Rescue Authority	6,797	6,851	54
Swansea Bay Port Health Authority	51	52	1
West Glamorgan Archive service	96	97	1
Magistrates Court	19	19	0
Margam Joint Crematorium Committee	2	2	0
TOTAL	6,965	7,021	56

- 7.14 Council Tax – the budget assumes that the Neath Port Talbot Council Tax at Band D will increase by 2.9% to £1,408.09, using a council tax base of 46,538.38.

Although the Council is required to state the Council Tax at Band D, approximately 85% of residents in Neath Port Talbot are charged below this level, with the majority seeing an increase of less than 10 pence per day.

Members should note that the Council Tax setting process for 2016/17 will be completed at the scheduled meeting on 10th March following receipt of the Final Settlement details.

8. **Standard Spending Assessment** – The Council’s budget for 2016/17 will be 4.86% or £12.564m above its Standard Spending Assessment of £258.323m, which is the Welsh Government’s assessment of the need to spend.
9. **Consultation** – The following extensive engagement and consultation activities have been undertaken.
- Overarching public consultation on the Council’s budget setting process (including on line web portal, comments via social media and feedback via boxes in public buildings)
 - Specific consultation exercises with service users and wider stakeholders on proposals that required additional consultation;
 - Internal consultation including Chief Executive question and answer sessions across the 3 main civic sites, intranet “post a

question” facility, post a question boxes, and a dedicated email for staff

- Partnership event 7th September 2015
- Stakeholder consultation (including elected members, forums, boards, committees, trade unions and other stakeholders)
- Written responses from external organisations
- Petitions

A summary of the responses received is included in Appendix 8.

Following receipt of responses from the public staff service users and Members some of the proposals originally consulted on have been amended as set out in this report

10. Service Budget Information – the Authority’s plan to close the budget gap is through the following complimentary strategies

- ensuring that all the individual savings (included in App 3) are delivered in full.
- improved efficiency and the elimination of waste – partly achieved from the range of service reviews that are taking place
- reduction in some service levels will occur together with some negative consequential quality impacts
- a Council Tax increase of 2.9%
- increased use of income generating opportunities and selective increases in fees & charges

The following paragraphs provide a brief outline of the service changes, investments and implications arising from the 2016/17 Budget and savings proposals included in Appendix 3.

11.1 Education Leisure & Lifelong Learning (ELLL)

Schools – The Council is committed to prioritising investment in Schools and educating our children. The budget considerations of 30th September 2015 consulted on a standstill budget for 2016/17. Today’s proposed budget provides for a £1.8m increase in the budget to £79.6m. This betters the Welsh Government funding commitment of £1.4m at a time when most other Service budgets are reducing.

Other ELLL – The Council will be investing £23.5m in other Education Leisure and Lifelong Learning Services (in addition to the Schools Delegated Budget). This is inclusive of an additional £1.2m (Appendix 4) provided to cover additional pressures including out of county placements, Education outside of school, and to offset a reduction in the Families First Grant – helping to protect services to vulnerable families and children.

This investment is also net of the savings of £1.4m for the Directorate as set out in Appendix 3.

Over the past few months the Directorate has carried out specific consultation on various Community Transfer proposals. These include community centres at Cwmafan and Taibach, and Cefn Coed Museum, libraries at Skewen and Baglan and savings from mobile libraries.

The following table summarises the current position and way forward.

Description	Original Proposal	Current Position/Way Forward
Cwmafan and Taibach Community Centres	Transfer to Community Group £54k	Parties interested and transfer progressing
Cefn Coed Museum	Withdrawal of £60k subsidy over 2 years and consult with Friends of the Museum for Community Transfer.	Positive discussions with the Friends of the Museum to reduce subsidy from Council. Discussions are ongoing with the Welsh Government re their liabilities and funding opportunities. Cefn Coed Museum to remain open with ongoing dialogue to further reduce subsidy.
Library General	Savings of £79k required from mobile library and provision at Skewen & Baglan	Both libraries to remain open with savings from redundant mobile library vehicle, some general efficiencies and progression to community transfer ongoing. Net

Description	Original Proposal	Current Position/Way Forward
		savings reduced to £25k in 2016/17 with balance targeted for 2017/18.
Skewen Library		Positive discussions progressing with Coedffranc Community Council to maintain provision and progress Community transfer in year.
Baglan Library		Dialogue with community to continue to seek transfer 2017/18..
Mobile Library		Potential sale of redundant Mobile Library and shared costs being targeted with NPT Credit Union.

The following additional savings/changes are also proposed:-

- Leisure – a new contract with Celtic Leisure has been agreed for service delivery resulting in a reduced subsidy for 2016/17 and 2017/18. The contract also maintains all existing site provision together with the new facility at the Aberavon Leisure and Fitness Centre. The service provision at Cymmer Swimming Pool ended at the end of December 2015, the Council has agreed to sell that swimming pool to the local community group and their service provider.
- Income generation – proposals for increasing income generating opportunities and cost efficiencies are in place for the theatres, the arts centre and Margam Park.
- Other services – increased income generation and cost efficiencies will reduce budgeted expenditure in community and adult education and home to school transport.
- A saving of £145k is built into the Youth Service budget. The consultation proposal indicated that there would be a reduction in access to youth service provision for 2016/17. This proposal is no longer required as alternative savings from staff rationalisation, better use of grant funding with some additional contributions from schools participating in the Duke of Edinburgh Scheme have been identified.

- The pressures incorporate a net additional provision of £20k for Inclusion Services. This is made up of an additional £200k for the Education Outside of School Setting Service offset by £180k savings from a review of Inclusion Services.
- The Welsh Government has reduced the Families First Specific Grant on an All Wales basis from £43.4m to £36.1m. For Neath Port Talbot this reduction amounts to £260k and this amount will continue to be made available to protect these important services to children and families in 2016/17 from the Council's own resources.
- From April 2016 the Welsh Government has established a new registration scheme under the Education Workforce Council for all teachers and learning support staff in schools and further education colleges. They have also recently announced the expansion of this registration to youth workers and other education learning staff for April 2017. Teachers already pay £45 (with a potential increase to £78 in April 2016) towards their registration but under their terms and conditions receive a refund of £33 funded through the Local Government settlement. From April 2016 there is a requirement that this will require each learning support assistant will pay an annual registration fee of £15. Trade Unions have made representations on behalf of the learning support assistants in relation to this matter and this budget provides the reimbursement of this £15 payment for 2016/17 only. It is proposed that a review of all registration fees is carried out during the year in line with the Workforce Agreement.

11.2 Social Services Health & Housing

- **Children's Services** – In 2016/17 the Council will continue to prioritise and make a significant investment of £23m in Children Services. The service continues to improve and has managed a reduction in the number of looked after children within the County Borough. Savings of £966k from the reduction in numbers has been incorporated. Savings will also be realised by Hillside moving to full a cost recovery model, via an increase in the number of welfare placements.
- **Adult Services** – The Council will be investing £47.6m in Adult Social Care Services. An additional £1.9m has been provided to fund identified pressures, including the growth in demand for services and additional costs associated with an increase in the living wage. As Members are aware, a multi-

year funding increase in Residential Care fees has been agreed with providers and additional payment in lieu of the National Living Wage is made available provided care providers meet quality service provision criteria.

As Members are probably aware the Council's 2015/16 spending on Social Services is some £15m more than it receives in funding via the Welsh Government formula. Thus the Council is progressing a significant change programme i.e. Transforming Adult Social Care, with associated savings of circa £5.7m being targeted.

The Social Services and Wellbeing Act 2014 encourages all Councils to maximise people's independence by providing support to people to live at home, encourage the provision of respite opportunities and right sizing of care packages. The Council has over a number of years been progressing such work and various changes are being incrementally built into the budget and service arrangements/provision. Consultation is ongoing in relation to various Community and Day Services, the outcome of which will be collated and forwarded for Member approval at the beginning of the new financial year. Some financial savings have been built into the budget in advance of the consultation outcome and any consequential service change.

Community services continue to be developed in partnership with Health, in order to reduce the number of people requiring hospital, residential and nursing care. Work continues to be undertaken through the Pathways to Independence project to review and right size packages of care. Two specific areas will explicitly be targeted:-

- A major expansion of adult placement schemes to provide support within a family environment for people who may otherwise require residential care
- Increase uptake of direct payments to improve choice and control for people to purchase their own care. There will be a need to ensure that there is the right spectrum of services available in the market to achieve the desired outcomes.

Workforce savings will be achieved by making efficiencies in social work practises and increasing productivity.

Additional income will be secured by reducing the time lag for new assessments and re-assessments. Additional funding made available to the NHS and passported to Councils, will be used to fund Intermediate Care Services which help to keep people out of hospital, residential and nursing care.

11.3 Environment

For 2016/17 the Council will be investing £31.5m in Environment Services. This includes an additional £1.1m to fund identified pressures, and a further £1.2m one off funding is being made available for 2016/17 to be invested in street scene improvements.

The identified pressures include £257k to cover the reduced grants at Victoria Gardens and Welsh Government Single Environment Grant, thus enabling the Council to continue its current recycling activities etc., £240k to ensure that the Council continues to deliver services to South Wales Trunk Road Agency (SWTRA) together with various other amounts including £68k for Workways match funding. However the Directorate is also required to deliver significant savings of £1.66m which will be achieved via the following:-

- Increase income – additional income will be secured through sponsorship, increased charges
- Lighting renewal project – utilise more energy efficient LED lights and dimming of some lights in the early hours of the day. There is no proposal to turn off lights as mentioned in the original Consultation document
- Reduce staff costs – restructure of services, deletion of posts through the ERVR programme
- Waste – savings on procurement and a restriction to be placed on the amount of side waste that will be collected.
- Amalgamation of services with Environmental Health and Trading Standards – including reduction in management of stray dogs
- Bowls pavilions maintenance – transfer to community clubs.
- Cease services such as tennis provision, free dog mess bags, and some woodland management activities

Over the past few years the Council has had to provide a greater proportion of its resources to Social Services and Education at the expense of Environment Services. Due to the better than

expected settlement it is proposed an additional one-off £1.2m be invested in street scene during 2016/17. These will include maintenance monies for footpaths, cycleways, rights of way (in particular rural areas), flytipping, grass cutting and other Street Care services. A separate programme of works report is currently being prepared which will include the criteria and distribution of this additional investment.

11.4 **Corporate**

Additional funding of £100k has been provided to offset the reduction in the Housing Benefit Admin grant. The budget for the year will be £16.635m and the Directorate is required to deliver savings of £1.6m which will be achieved via the following:-

- Reduce staff costs through the voluntary redundancy scheme. This is possible by improved efficiencies and the move to increased digital services
- Significant reduction in non-staffing costs
- Increase income through partnership agreements with other Local Authorities
- A reduction in the number of CCTV cameras that do not comply with best practice regulations. The Council will be looking to work with the City and County of Swansea to develop a joint monitoring service from 2017.

Other

- Financial support, via the pensioners' grant, payable to pensioners on partial Council Tax Support to help pay their council tax, will be withdrawn. Council Tax Support via the Welsh Government backed scheme will continue.

12. **Reserves**

Part of the overall budget preparation requirement is to undertake a review of the Authority's Reserves.

Specific reserves are established for an identified purpose and are used to fund either one-off items, or to assist with equalisation costs. Consideration must be given to the impact that utilising reserves may have on future year budgets.

The budget includes the application of £1.3m from specific reserves, resulting in a projected closing balance of £26.8m at

31st March 2017. Details of all specific reserve movements and projected balances are included in Appendix 5.

General Reserves are projected to increase from £14.3m to £15m by 31st March 2017. This is after the application of £755k as set out in Appendix 6.

The Authority is required to retain a reasonable level of reserves. As at 31st March 2017 the general reserves equates to 5.5% of the Authority's net budget.

Members should note that a separate report is being prepared in relation to managing the Council's Reserves strategy. This will be forwarded for Member approval by the end of the financial year. It is confirmed that the current reporting arrangements and decision making on resources are in line with best practice and satisfy external audit requirements.

13. **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. A contingency of £1.325m has been set aside to fund any variations and their risks in delivering the savings included in the budget. Outlined below are a number of risk areas that will need to be actively managed during 2016/17

- containment of expenditure within the cash limit in light of the significant additional savings strategies
- continuous improvement in childrens services, including reductions in the number of looked after children
- potential delays in implementing the savings strategies and decisions.
- correct assessment of budget pressures
- correct assessment of inflationary increases linked to CPI/RPI
- changes in taxation
- unplanned use of the general reserve
- diminishing capital receipts
- late announcement and in-year reduction in specific grants

- ability to deliver WG recycling targets, to minimise financial penalties
- loss of experience and knowledge due to staff leaving on ER/VR
- Guaranteed pension payment value
- SWTRA – impact of significant savings required to deliver the Welsh government contract for services
- MREC and waste management contractual pressures
- Implementation of the requirement of the Social Services Well Being Act 2014
- implementation of the Welsh Language Standards
- additional costs of properties declared as surplus, prior to disposal
- any adverse budget changes arising from the Final Local Government Settlement due to be published on 2 March 2016
- variations to the number of claimants for Council Tax Support
- identify future year savings proposals during a period of public sector funding austerity

14. Equality Impact Assessment – The Equality Act 2010 requires public bodies to assess the likely impact of proposed policies and practises on its ability to comply with the general duty (to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity, and foster good relations between different groups) for all people with protected characteristics.

As demand for services and the corresponding budget requirement exceed the funding available, there is an overall negative impact on the Council’s ability to deliver services in 2016/17 at the same level as for 2015/16.

Further information relating to the Council’s Equality Impact Assessment Statement for the 2016/17 Budget is included in Appendix 7.

15. 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”.

The budget proposals include a net savings proposal of £5k in relation to CCTV for 2016/17. Following stakeholder consultation and a review of the location of CCTV cameras it was identified that “a pressing need” could not be demonstrated in respect of a number of the cameras and consequently those cameras will be removed during the year. Compliant CCTV cameras in Neath and Port Talbot will continue to operate and the Council will be seeking to establish joint working arrangements with the City and County of Swansea Council’s monitoring service for 2017/18. The Council has assessed the proposed changes as having a low risk to crime and disorder in the area as the cameras proposed for removal are located in areas where the incidence of crime and disorder is low.

The Council is also proposing to dim street lighting in areas of the county borough. A pilot project has identified that dimming the cameras did not lead to an increase in crime, disorder, road collisions or fear of crime and consequently the risk to crime and disorder from this proposal is also considered to be low.

The Council will continue to monitor crime and disorder across the county borough with partners to ensure that the impact of these proposals is regularly reviewed.

16. **Sustainable Development**

The Wellbeing of Future Generations (Wales) Act 2015 will introduce a requirement on the Council to act in accordance with the sustainable development principle.

Whilst the legal provisions have not yet been enacted, the budget report incorporates many service change proposals which, taken together, represent a significant change in the Council’s service delivery arrangements. The Council has worked hard, with its partners to strike the right balance in its overall proposals. This has included: protection for some services that enable early intervention and prevention activities that reduce demand on public services whilst promoting wellbeing; protection for integrated services that have been established to deliver more joined up services for citizens; protection for services that have a long term impact on sustainability; and protection for key collaborative arrangements. The areas that have been protected most are reflected in the six improvement objectives that the

Council has set for 2016/17 which are referred to earlier in this report.

Nevertheless, whilst the Council has afforded protection to a range of activities that embrace the sustainable development principle, the budget position has required the Council to make other proposals which translate into service reductions or in some instances the withdrawal of services. In some instances services are being sustained in different service models, such as the transfer of assets and services to community groups. In other instances service areas are being rationalised and reorganised to mitigate the worst impacts of the related changes. Overall, the budget assumes that there will be circa a 100 staff leaving under ER/VR, the impact of which will reduce the number of jobs within the Council. Whilst the Council has made efforts to embrace the sustainable development principle in developing its budget proposals, it is inevitable, given the scale of changes that there will be some negative impacts arising from proposals.

Setting a balanced budget for 2016/17 will assist the Council in being able to demonstrate that it is managing its financial and operational statutory duties on a sustainable basis. Where there are budget reductions these are specifically identified within appendix 3 to the report and an Equality Impact Assessment has been undertaken where appropriate.

17. Workforce Implications

The net budget for 2016/17 amounts to £270.9m. Financial savings of over £11m have been required offset by additional monies provided of some £9m including schools. A review of Capital Financing Charges and the Council's Minimum Revenue Provision Policy has generated a further £2m savings which has helped to protect jobs and services within the County Borough. It is expected that some 100 staff will leave the Council's employment by 31st of March 2016 through the ER/VR scheme.

18. Legal Impact

The Council has carried out both general and specific consultation on the Council's priorities and potential savings proposals as set out in the Cabinet report of 30th September 2015. Due regard is given to statutory service requirements and

legislation in finalising changes to service delivery, budget reductions and their implications on service users. Members should consider carefully the responses to consultation and the Equality Impact Assessments.

- 19 **Medium Term Budget Forecast – The Local Government Act 2003 and the Prudential Code** infer a statutory requirement to prepare 3 year budgets, and to show affordability and sustainability in the decision making process.

Budget proposals for future years are based on the following assumptions

	2017/18	2018/19	2019/20
WG funding	-3.5%	-3.5%	-2.0%
Pay & Pension Provision	1%	2.5%	2.5%
Price inflation	1%	2.5%	2.5%

Service pressures and savings proposals have also been included in the budget forecast (see Appendix 3 and 4). This report includes a balanced budget for 2016/17, but indicates that savings solutions of circa £36m are required over the next 3 years. This will be addressed as part of the ongoing Forward Financial Planning process.

20. **Fees & Charges** - the budget assumes a general uplift of 1% in total income receipts, arising from a combination of variations in price and activity. The general principle applied is that price increases should reflect anticipated inflationary increases, but must also be set in the context of the service and budget pressures facing the Authority. Charges must be sustainable in the future, consider the social impact and meet equality requirements.
- Due to the divergent timing of budget and fee setting, it is recommended that decisions are delegated to the appropriate Corporate Director
- For Executive Functions - in consultation with the Leader, relevant Cabinet Member and Chair of the relevant Scrutiny Committee,
 - For non-Executive Functions - in consultation with the Leader, Deputy Leader and Chair of the appropriate committee

21. Recommendations

It is recommended that Members having due regard of the Equality Impact Assessment information set out in this report and its Appendix 7 determine:

- a) That the following matters are delegated to the appropriate Corporate Director following consultation with the Council Leader, relevant Cabinet Member and Chair of the relevant Overview and Scrutiny committee:-
 - Fees and charges applicable for the financial year 2016/17
 - Fees and Charges which are applicable in any subsequent financial year and which, in the opinion of the relevant Corporate Director, need to be set in advance of the financial year for operational reasons.

- b) After reviewing the content of this report Cabinet commends to Council the following:
 - i) Latest budget position 2015/16 – approve the revised budget position and arrangements for 2015/16
 - ii) Welsh Government Provisional Settlement announcement - confirm compliance with the Welsh Government's requirement to protect Schools funding
 - iii) The Council's Revenue Budget 2016/17
 - Take account of the Equality Impact Assessment and Crime and Disorder impacts in setting the budget for 2016/17
 - Approve the Net Revenue Budget requirement for 2016/17, and the service plans for the delivery of the budgets
 - Approve the budget/forward financial plan savings (outlined in Appendix 3)
 - Instruct Corporate Directors to progress the savings and improvement programme for the Authority

- iv) Fees and charges for non executive functions – that the determination of the following matters be delegated to the appropriate Corporate Director following consultation with the Council Leader, Deputy Leader and Chair of the relevant Non Executive committee
- Fees & charges applicable in 2016/17
 - Fees and charges applicable in any subsequent financial year and which, in the opinion of the Corporate Director, need to be set in advance of that financial year for operational reasons.
- v) Note that the Final Local Government Settlement is due to be published by the Welsh Government on 2nd March 2016 and a report setting out the Council's Budget Requirement and Council Tax for 2016/17 will be forwarded to the Council meeting of the 10th of March 2016

22. Reasons for Proposed Decisions

- To fulfil the statutory requirement to determine the budget for 2016/17.
- To seek support for the Council's Forward Financial Plan.
- To agree arrangements for Fees and Charges.

23. Implementation of Decision

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

24. Appendices

Appendix 1 – Revenue Budget Summary 2016/17

Appendix 2 – Welsh Government Grants

Appendix 3 – Savings Solutions – Budget & Forward Financial Plan

Appendix 4 – Service Plan Pressures

Appendix 5 – Specific Reserves

Appendix 6 – General Reserve

Appendix 7 – Equality Impact Assessment for Budget 2016/17

Appendix 8 – Consultation Summary

25. **Background Papers**
Cabinet Report of 30th September 2015
Budget working papers 2016/17
Welsh Government Guidance on Scrutiny of Local Authority
holding and Utilising of Reserves
Consultation Responses
Equality Impact Assessments

26. **Officer Contact**

For further information on this report item, please contact:

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Revenue Budget Summary

	2015/16 Original Budget £'000	2015/16 Revised budget £'000	2016/17 Original budget £'000
Directly Controlled Expenditure			
Education, Leisure and Lifelong Learning	101,584	101,376	103,208
Social Services Health and Housing	79,946	79,931	75,138
Environment	28,542	28,431	31,458
Corporate Services	17,056	17,186	16,635
Total Directly Controlled Expenditure	227,128	226,924	226,439
Levies			
Swansea Bay Port Authority	51	51	52
Fire Authority	6,797	6,797	6,851
Margam Crematorium	2	2	2
Contributions			
Archives Service	96	96	97
Magistrates Court	19	19	19
Other Expenditure			
Capital Financing (net of interest receipts)	16,826	17,080	16,408
Council Tax Support	17,436	17,436	17,404
Contingency	610	560	1,325
Pay and Pensions Provision			1,511
Management of Change Provision	800	800	800
Contribution from Fire Authority Reserve	-21	-21	-21
NET REVENUE EXPENDITURE	269,744	269,744	270,887
Improvement Agreement Grant	-1,452	-1,452	0
NET REVENUE BUDGET	268,292	268,292	270,887
INCOME			
Revenue Support Grant	164,447	164,447	163,129
National Non Domestic Rates	40,630	40,630	42,438
Discretionary Rate Relief	-176	-176	-210
Council Tax	63,391	63,391	65,530
TOTAL INCOME	268,292	268,292	270,887

WELSH GOVERNMENT - All Wales Specific Grants
Provisional settlement 2016/17

Existing Grant name	<i>£m</i>	
	2015-16	2016-17
Adult Community Learning	3.737	N/A
Armed Forces Day Funding	0.020	0.020
Business Improvement Districts	0.203	N/A
Cardiff Bay Legacy Funding	6.253	6.146
Communities First (Clusters)	31.781	N/A
Communities LIFT ¹	0.944	0.992
Community Cohesion Grant	0.360	N/A
Domestic Abuse Service Grant - CORE	1.244	N/A
Education Improvement Grant for Schools ³	142.594	N/A
Families First	43.422	36.152
First World War Commemoration ¹	0.214	N/A
Flying Start Revenue Grant	77.401	76.051
General Teaching Council for Wales ^{1 3}	6.000	N/A
International Education Programme ¹	0.665	N/A
Local Service Board Development Grant (LSB)	0.669	N/A
Mentoring & Networking Support for Head Teachers ^{1 2 3}	0.100	0.000
One Voice Wales ¹	0.093	N/A
Out of School Childcare Grant	2.300	2.300
Post-16 Provision in Schools	104.544	N/A
Pupil Deprivation Grant ³	81.457	89.246
Pupil Deprivation Grant (Communities First)	1.601	N/A
Regional Collaboration Fund ^{2 3}	5.174	0.000
Remploy ESG	0.213	0.115
School Uniform Grant	0.736	0.736
Schools Challenge Cymru ^{1 3}	15.600	15.000
Successor Outcome Agreement Grant ⁴	31.100	0.000
Supporting People	123.688	124.488
Town Centre Partnerships	0.422	0.422
Welsh Language Promotion & Facilitation (LA Element) ¹	0.375	0.401
Youth Crime Prevention Fund	4.900	N/A
Animal Health & Welfare Framework ¹	0.500	N/A
Bus Revenue Support	0.550	0.000
Bus Revenue Support (Traws Cymru)	1.500	2.071
Bus Services Support Grant	25.000	25.000
Ceredigion Oil Buying Syndicate ²	0.059	0.000
Concessionary Fares Scheme	60.500	N/A
CyMAL	1.693	N/A
Development of the Seren Network ^{1 3}	0.300	0.100
Single Environment Grant	67.310	63.000
Heads of the Valley & Bridgend Effect Project ¹	0.219	N/A
NDR Open for Business Scheme ¹	0.250	N/A
NDR Retail Relief Scheme 2015/16 ^{1 2}	18.700	0.000
New Developments	0.395	N/A
Private Water Supply Risk Assessment ^{1 2}	0.004	0.000

WELSH GOVERNMENT - All Wales Specific Grants
Provisional settlement 2016/17

Existing Grant name	2015-16	2016-17
Road Safety Grant	2.000	2.000
SBRI Innovation Catalyst Programme - Local Authorities	0.600	0.200
Travel Plan Co-ordinators	0.125	0.125
Wales Transport Entitlement Card	0.200	0.200
Young Persons Discounted Bus Travel Scheme/Youth Concessionary Fares	5.000	9.750
Youth Entrepreneurship in FHE ^{1 3}	0.926	0.819
Youth Work Strategy Support Grant	2.756	N/A
Delivering Transformation Grant ³	2.770	N/A
Deprivation of Liberty Safeguard ^{1 3}	0.200	0.230
Social Care Workforce Development Programme	7.149	7.149
Substance Mis-use Action Fund ³	22.663	22.663
	909.179	485.376

for future years are indicative at this stage and are liable to change.

Formal notification of grant allocations is a matter for the relevant policy area.

N/A = figures not available at time of publication

1. New Grant in 2015-16
2. Grant Ending in 2016-17
3. Grant is paid on a regional basis
4. Transferring into Settlement for 2016-17

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
ELLL502	CYPE	Home to School/College Transport	Chris Millis	Continue to rationalise home to school transport routes as per agreed policy.	95	55	0
ELLL506	CYPE	Catering Review - Implementation of decisions taken by Cabinet	Andrew Thomas	Savings identified as a result of the Catering Review / and as a result of the reduction in number of schools.	100	0	0
ELLL524	ECR	Leisure Services	Aled Evans	Reduction in Celtic Leisure contract sum via contract efficiencies.	150	200	0
ELLL566	ECR	Remove remaining contribution to Blaengwynfi Miners Hall	Chris Millis	No subsidy to facility, placing responsibility on Trustees to manage provision more effectively and efficiently.	25	0	0
ELLL601	ECR	Part time replacement of Sports Disability Co coordinator / efficiency review in PASS service	Andrew Thomas	Sports Disability Co-ordinator will only be replaced part time within the Authority. Reduced access to users	30	0	0
ELLL602	ECR	Reduce costs for Arts and Culture, Pontardawe Arts Centre and Princess Royal Theatre	Andrew Thomas	Reduced staffing and increased income through ticket levy	149	0	0
ELLL604	ECR	Restructure of library service / further reduction or transfer of library provision	Andrew Thomas	Potential sale of redundant mobile vehicle, shared use of active mobile vehicle and negotiate transfer of Skewen and Baglan library in year	25	54	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
ELLL605	ECR	Reduction in subsidy for Cefn Coed Museum	Chris Millis	Museum to remain open. Continue consultation and working with the Friends of Cefn Coed Museum to make efficiency savings including in 2016/17 minor contributions with an additional £10k target in 2017/18. Further discussions with Welsh Government in relation to their site liabilities.	0	10	0
ELLL606	ECR	Transfer of Taibach and Cwmavon Community Centre into a community group	Andrew Thomas	Discussions with community groups progressing.	54	0	0
ELLL608	CYPE	NPT Works to become self financing	Chris Millis	Contract is currently out performing targets enabling the Authority to self-finance this service.	55	0	0
ELLL609	CYPE	Skills and Training Unit become income generating	Chris Millis	Additional income and continuity of the service to be maintained following restructure during the 2014/15 financial year.	100	0	0
ELLL610	CYPE	Adult Community Learning become income generating	Chris Millis	Increased income and costs savings.	100	0	0
ELLL611	CYPE	Merger of ACL and Skills and Training Unit	Chris Millis	Co-locating a number of services will realise further savings in premises costs	24	0	0
ELLL612	CYPE	Remove contribution to regional learning partnership	Chris Millis	Cease annual contribution to regional learning partnership.	5	0	0
ELLL613	ECR	Sub-let Twyn Yr Hydd	Andrew Thomas	Additional income generating opportunity for the Authority-Linked to regeneration of Park	25	0	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
ELLL614	CYPE	Relocate Youth Service into Tir Morfa	Chris Millis	Further reduction in premises costs by co-locating services from Llandarcy.	17	0	0
ELLL615	CYPE	Reduction in Youth Service budget	Chris Millis	Rationalisation of Youth Service staffing and better utilisation of grant funding together with some additional contributions from Schools participation in the Duke of Edinburgh Scheme	145	0	0
ELLL616	CYPE	Schools cleaning service	Chris Millis	Reduce Council Subsidy (self-financing) re Schools Cleaning Service. This will increase current costs to primary and special schools.	60	0	0
ELLL618	CYPE	Review of specific grants	Andrew Thomas	Further maximise the benefits of grant funding.	100	0	0
ELLL619	CYPE	Management and Admin / ER:VR offers	Aled Evans	Reduction in base budget	21	0	0
ELLL620	ECR	Margam Park	Andrew Thomas	Internal restructure within Margam Park has led to favourable income generation	50	75	0
ELLL621	CYPE	Recharge to schools for mini bus insurance	Andrew Thomas	Increase cost to schools	8	0	0
ELLL623	CYPE	School Improvement Service	Chris Millis	Reduce core team in line with school reorganisation proposals.	60	0	0
ELLL624	CYPE	Increase in price of school meals	Chris Millis	2017/18 proposal of increased price for school meal to parents.	0	30	0
ELLL625	CYPE	Secure efficiencies in EWS and School and Family Support Service	Andrew Thomas	Achieved through voluntary redundancy	20	0	0
ELLL626	CYPE	Review of Welsh translation unit	Chris Millis	Cost efficiencies and service charges.	20	20	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
SSHH514	SCHH/CYPE	Workforce Strategy Savings	All SSHH	Implement new grading structure	136	95	0
SSHH516	SSHH	Homecare - Review of savings opportunities	N Jarman	Continue to improve the efficiency of the Homecare Service	338	338	0
SSHH518	SCHH	Community Care Older Persons	N Jarman	Cease the operation of the Council's Community Meals Service and to develop alternative arrangements where existing customers can be signposted	50	0	0
SSHH539	SCHH	Savings arising from transfer of Elderly Residential Care Homes	N Jarman	Savings to be realised as a result of renegotiated contract and commissioning less beds from Gwalia net of Pension costs.	1,258	0	0
SSHH540	CYPE	Children's Services	A Jarrett	Savings arising from ongoing reductions in Looked After Children.	966	614	0
SSHH543	SCHH	Restructure of Social Work Teams	N Jarman	Review of Social Work workforce to operate as efficiently as possible	208	125	0
SSHH551	SCHH	Disability Services	N Jarman	Additional savings from the Pathways to Independence project (PTI) reducing the cost of care packages	500	0	0
SSHH553	SCHH	Gelligron Residential and Respite unit for people with Mental Health problems	N Jarman	Full year savings following facility closure and service amendments in 2015. Alternative service provision put in place for service users.	100	0	0
SSHH566	SCHH	Reduce Placements budgets	N Jarman	Reduce Placements budgets (extend the PTI approach to all packages of care) and implement Local Area Co-ordination model	1,000	0	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
ENV508	E&H/ECR	Workforce Strategy Savings	All ENVT	Implement new grading structure	74	14	0
ENV513	E&H	Non replacement of staff on retirement	All ENVT	Non replacement of staff on retirement	75	75	0
ENV525	E&H	Programme Management	D Griffiths	Reduce base budget staff costs	10	0	0
ENV531	ECR	Cease security contract for Authorities Estate	S Brennan	Cease security contract costs	0	20	0
ENV533	ECR	Property increase income and reduce expenditure	S Brennan	2017/18 proposal	0	50	0
ENV534	ECR	Reduce Building Maintenance expenditure	S Brennan	Will reduce maintenance works on County's buildings	0	50	0
ENV550	E&H	Public Lighting	M Roberts	Dimming of overnight lighting in residential areas.	50	0	0
ENV638	E&H	Public Lighting	M Roberts	Replace existing lamps with LED lamps which last 20 years. £800k to be built into the capital programme and funded via the capital financing budget	89	0	0
ENV556	E&H	Waste Disposal	M Roberts	Anticipated procurement savings	140	160	0
ENV639	E&H	Waste Collection	M Roberts	Review to introduce a side waste restriction	60	40	0
ENV574	ECR	LDP	N Pearce	Savings at end of plan include reduction in staff.	60	0	0
ENV576	ECR	Contaminated Land reduce monitoring	N Pearce	Reduce contaminated land and air quality monitoring	5	0	0
ENV601	E&H	School Crossing Patrol	D Griffiths	Extra Income from Community Councils	0	10	0
ENV603	ECR	Planning	N Pearce	Revised table of charges for pre-	0	10	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
				applications			
ENV604	ECR	Planning Policy	N Pearce	Increase income from roundabout sponsoring	3	0	0
ENV605	ECR	Gypsy	S Brennan	Increase rent income and expenditure savings, following the extension of Caegarw	25	25	0
ENV606	ECR /E&H	Civic Building	S Brennan	Additional rental Income at Pontardawe one stop shop	8	8	0
ENV607	E&H	Car Parking	D Griffiths	Car Parking Tariff Review / season tickets	30	30	0
ENV611	E&H	Car Parking	D Griffiths	Car Parking Income withdraw Christmas free parking. Possible impact on trade.	0	20	0
ENV608	E&H	Trade Waste Income	M Roberts	Above inflation increase	20	0	0
ENV609	E&H	Bulk Collection	M Roberts	Increase charge from £15 to £20 for any number of items	25	0	0
ENV610	E&H	Gnoll Park	M Roberts	New income opportunities being pursued	25	0	0
ENV612	ECR	Sandfields Young Business Centre	S Brennan	Increase Income	10	10	0
ENV613	E&H	Neath Canal Company	M Roberts	Cease maintenance payments	0	18	0
ENV614	ECR	Planning	N Pearce	Reduce car allowances, professional fees, advertising costs	0	12	0
ENV615	ECR	Building Control	N Pearce	Reduce office and general expenditure	0	8	0
ENV616	ECR	Planning Policy	N Pearce	Reduce office and general expenditure	0	2	0
ENV617	E&H	Wildlife, Countryside and Biodiversity	N Pearce	Reduction in expenditure	0	11	0
ENV618	E&H	Pollution Control and Land Contamination	N Pearce	Reduction in expenditure	0	8	0
	ECR	Property Division	S Brennan	Running costs savings re asset management, strategic development and	0	33	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
				land acquisition.			
ENV623	ECR	Energy Management/Business Support Fund	S Brennan	Decrease Professional Fees Budget	5	9	0
ENV644	ECR	Building Maintenance	S Brennan	Reduction in building maintenance budget	0	50	0
ENV624	ECR /E&H	Marketing	G Nutt	Reduce expenditure	5	0	0
ENV625	E&H	Road safety	D Griffiths	Reduced hours, reduce car allowances and rent	21	0	0
ENV626	ECR	Planning	N Pearce	Reduce staff costs	0	36	0
ENV627	E&H	Wildlife, Countryside and Biodiversity	N Pearce	Reduce staff costs	0	36	0
ENV628	ECR	Estates	S Brennan	Reduce staff costs	0	61	0
ENV629	ECR /E&H	Civic Building	S Brennan	Reduce staff costs	0	20	0
ENV630	ECR	Employment support	S Brennan	Reduce staff costs	0	33	0
ENV631	E&H	Stores	M Roberts	Reduce staff costs	34	0	0
ENV632	E&H	Network Management	M Roberts	Reduce staff costs	58	0	0
ENV633	E&H	Drainage	M Roberts	Reduce staff costs	89	0	0
ENV634	E&H	Waste Policy	M Roberts	Reduce staff costs	49	0	0
ENV636	E&H	Car Parking	D Griffiths	Parking staff to collect cash and reduce litter picking in car parks	65	0	0
ENV637	E&H	Community Transport	D Griffiths	Saving following a review of expenditure profiles	100	0	0
ENV640	E&H	Street furniture	M Roberts	Reduced maintenance	0	3	0
ENV641	E&H	Public Conveniences	S Brennan	Review and close public conveniences e.g. Resolven	0	15	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
ENV642	E&H	Tennis	M Roberts	Stop service or transfer to Communities	5	0	0
ENV643	E&H	Dog fouling	M Roberts	Cease provision of dog mess bags	9	0	0
ENV645	E&H	Management of stray dogs	M Roberts	Reduce to the statutory minimum - will reduce service there will be a reduction in jobs and will reduce waste enforcement.	90	10	0
ENV646	E&H	Road repairs	M Roberts	Reductions in material costs	40	0	0
ENV647	E&H	Vehicle actuated speed signs	M Roberts	Cease maintenance and provision	0	0	10
ENV648	E&H	Other Parks - Woodlands	M Roberts	Stop maintenance and return land as surplus or transfer to a community group	28	0	0
ENV649	E&H	Canal Leased Land	M Roberts	Reduce maintenance upon expiry of lease	0	8	0
ENV650	E&H	Bowls	M Roberts	Transfer of bowls pavilions and maintenance to Community Groups	104	0	0
ENV651	E&H	Neighbourhood Services	M Roberts	Alternative procurement for some service areas	50	0	0
ENV652	ECR	Environmental Health	N Pearce	Merger of Environmental Health/Trading Standards with Environment Directorate relevant service areas	200	0	0
CORP503	PRB	Workforce Strategy Savings	All CORP	Implement new grading structure	88	40	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
CORP576	PRB	Introduce revised access to service policy across council	K Jones	Move to a digital by default policy. This will mean minimising the public information printed with people expected to use downloadable information; increasing the number of service available on line and increasing public take up of those services; introducing new technologies in the corporate contact centre to minimise the number of call handling staff required there.	200	150	0
CORP577	PRB	Review of CCTV operation to further reduce costs	K Jones	Stakeholder consultation taken place. Some CCTV cameras to be withdrawn. To review with Swansea Council the potential of providing a joint monitoring service from 2017. Retention of monitoring in 2016/17 may require some additional budget and not deliver this net saving.	5	114	0
CORP591	PRB	Legal Staffing	David Michael	Reduction in staffing via ER/VR for 2016/17. Further savings in 2017/18 will need to be compensated for by reduced workload. There is a risk of destabilising teams.	100	100	0
CORP595	PRB	ICT - Reduce supplies & services budget	Steve John	Requires strict efficiency savings to be made throughout the division.	37	0	0
CORP596	PRB	ICT - Reduce contribution to IT renewals reserve	Steve John	The consequence will result in the depletion of the reserve by March 2018, and hence all future ICT investment will need to be fully funded including potential call from the capital programme	77	0	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
CORP598	PRB	ICT - Strategies to be identified	Steve John	Identify new income streams - but if these cannot be identified will result in reduction of staff.	139	408	0
CORP601	PRB	Reduce Employment Support Team / Occupational Health Administration Teams	Sheenagh Rees	Move to a digital by default service. All correspondence / paperwork in relation to recruitment, employment and Occupational Health will be issued electronically (including schools) other than in exceptional circumstances. Prior Consideration Bulletin will no longer be printed and the Relief Teacher Register will cease to be administered by the HR team w.e.f. 1st April 2016.	84	0	0
CORP602	PRB	Human Resources	Sheenagh Rees	Reduce non salary budget lines, e.g. car allowances, printing expenses, postage costs, etc.	32	15	0
CORP603	PRB	Reduce Corporate Training Budgets	Sheenagh Rees	Reduced provision of corporate management development and equalities training, which will now be minimal.	10	11	0
CORP604	PRB	Reduce Occupational Health Professional fees budget	Sheenagh Rees	Introduction of Occupational Health on line referral system and the referral hotline number will reduce unnecessary referrals to the service and increase capacity of professional nursing team, reducing the need for externally purchased service.	20	10	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
CORP606	PRB	ICT - Salary savings	Steve John	No flexibility to increase the workforce to meet an increased demand. All new work and projects will need to be incorporated into the existing work programme resulting in deferred timescales and/or work with a lesser priority being dropped altogether.	200	0	0
CORP607	PRB	Reduce Performance Audit Fees	Karen Jones	Reduce cost of WAO performance audit fees	5	0	0
CORP608	PRB	Democratic Services	Karen Jones	Reduce budgets to reflect actual costs across a range of headings	30	15	0
CORP609	PRB	Corporate strategy	Karen Jones	Reduce staffing	30	0	0
CORP610	PRB	Corporate strategy	Karen Jones	Reduce running cost budgets across a range of headings	40	0	0
CORP611	PRB	Financial Services - reduce training budgets	Dave Rees	Centralise training budget and tailor individual training packages.	5	0	0
CORP612	PRB	Financial Services - reduce non staffing budget expenditure	Dave Rees	Requires strict efficiency savings to be made throughout the division.	120	0	0
CORP613	PRB	Financial Services - increase Income generation	Dave Rees	Limited scope for income generation	15	28	0

Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2016/17 £000	2017/18 £000	2018/19 £000
CORP614	PRB	Financial Services - reduce staffing across the division	Dave Rees	Staff turnover and ER/VR savings achieved for 2016/17. Reduced capacity to provide services to the public and other directorates. Performance in key areas is likely to fall. Future year savings will increase risk that statutory functions are not delivered in full. Loss of experience.	269	280	0
CORP615	PRB	Develop a foundation apprenticeship scheme	Dave Rees	Cost Savings. Loss of experience	0	60	0
CORP616	PRB	Legal	David Michael	Reduce staff & non staffing expenditure. Will impact on capacity and resources. Loss of experience.	114	92	0
CORP617	PRB	3rd Sector Grants	Hywel Jenkins	Savings arising from review of funding for 2016/17	10	0	0
OTH601	PRB	Pensioners Grant	Hywel Jenkins	Pensioners will continue to receive support in line with the 100% funded WG council tax support scheme. Withdrawal of additional council tax of up to £50 funding for pensioners receiving partial benefit support to pay their council tax.	112	0	0
Total					11,552	4,084	260

Revenue Service Pressures

Ref	Service area	2016/17	2017/18	2018/19	2019/20
		£'000	£'000	£'000	£'000
ELLL5	Home to School Transport - Welsh medium 2nd campus	0	65	100	35
ELLL6	NI abatement	359	0	0	0
ELLL8	Out of County placements	588	0	0	0
ELLL9	Education Outside of School Setting	20	0	0	0
ELLL10	Reduction in Families First Grant	260	0	0	0
ELLL11	Registration of Support Staff in Schools	20	0	0	0
SSHH44	Adult Services - Growth -	100	100	0	0
SSHH48	Adult Services - Transition Growth	115	71	0	0
SSHH49	NI Abatement	581	0	0	0
SSHH50	Living Wage - Contracts	650	450	595	630
SSHH51	Mental Health placements	1,000	0	0	0
ENVT11	Additional refuse, recycling, and additional residual waste freighter	0	200	0	0
ENVT12	NI Abatement	236	0	0	0
ENVT13	Public Lighting	49	0	0	0
ENVT14	Workways Match Funding	68	0	0	0
ENVT15	Engineering/Architects capacity retention	165	0	0	0
ENVT17	Trade Waste – income shortfall	50	0	0	0
ENVT18	Neath Business Rates	21	0	0	0
ENVT20	Reduction in Single Environment Grant	200	0	0	0
ENVT21	Victoria Gardens - end of HLF grant	57	0	0	0
ENVT22	SWTRA - 3% cap on overhead charges	240	0	0	0
CORP8	Auto Enrolment – provision April 2018	0	0	50	0
CORP12	ICT service commitments	40	40	0	0

Revenue Service Pressures

Ref	Service area	2016/17	2017/18	2018/19	2019/20
		£'000	£'000	£'000	£'000
CORP14	NI Abatement	338	0	0	0
CORP15	Reduction in Housing Benefit Admin Grant	100	0	0	0
OTH003	Pension and Pay Award	1488	0	0	0
OTH004	Workforce strategy (current strategy ends 31/3/18)	0	0	600	0
OTH005	Apprenticeship levy	0	700	0	0
OTH006	Living wage - internal staff	23	227	219	416
CONT1	General Contingency (inc cyp)	715	250	0	0
		7483	2103	1564	1081

Specific Reserves

Description	Reserve at 1st April 2015 £000	Reserve Movements 2015/16		Balance at 31 Mar 2016 £000	Reserve Movements 2016/17		Balance at 31 Mar 2017 £000
		To £000	From £000		To £000	From £000	
EDUCATION, LEISURE & LIFELONG LEARNING							
<i>Delegated Schools Cash Reserves</i>							
ERVR Primary	Cr 14	Cr 29	0	Cr 43	Cr 1	0	Cr 44
Primary Schools Reserves	Cr 2,124	0	0	Cr 2,124	0	0	Cr 2,124
Secondary Schools Reserves	Cr 519	0	0	Cr 519	0	0	Cr 519
Special Schools Reserves	Cr 120	0	0	Cr 120	0	0	Cr 120
Repairs and Maintenance Reserve	Cr 161	0	0	Cr 161	0	0	Cr 161
	Cr 2,938	Cr 29	0	Cr 2,967	Cr 1	0	Cr 2,968
<i>Education, Leisure and Lifelong Learning</i>							
School Improvement Reserve	Cr 147	0	147	0	0	0	0
Equalisation Account-Education	Cr 1	0	0	Cr 1	0	0	Cr 1
Home to School Transport	0	Cr 92	0	Cr 92	0	92	0
	Cr 148	Cr 92	147	Cr 93	0	92	Cr 1
Total Education Leisure & Lifelong Learning	Cr 3,086	Cr 121	147	Cr 3,060	Cr 1	92	Cr 2,969
SOCIAL SERVICES, HEALTH & HOUSING							
Hillside General Reserve	Cr 1,670	Cr 163	58	Cr 1,775	Cr 135	303	Cr 1,607
	Cr 1,670	Cr 163	58	Cr 1,775	Cr 135	303	Cr 1,607

Specific Reserves

Description	Reserve at 1st April 2015 £000	Reserve Movements 2015/16		Balance at 31 Mar 2016 £000	Reserve Movements 2016/17		Balance at 31 Mar 2017 £000
		To £000	From £000		To £000	From £000	
Other							
Asset Recovery Incentive scheme	Cr 86	0	0	Cr 86	0	0	Cr 86
Homecare ECM Equipment Reserve	Cr 13	Cr 19	0	Cr 32	Cr 19	0	Cr 51
Social Services Equalisation	Cr 173	0	150	Cr 23	0	0	Cr 23
Residential Care - Rent Provision	Cr 751	Cr 186	108	Cr 829	Cr 78	0	Cr 907
Youth Offending Team - Equalization	Cr 87	0	0	Cr 87	0	0	Cr 87
Community Care Transformation Reserve	Cr 350	0	350	0	0	0	0
	Cr 1,460	Cr 205	608	Cr 1,057	Cr 97	0	Cr 1,154
	Cr 3,130	Cr 368	666	Cr 2,832	Cr 232	303	Cr 2,761
ENVIRONMENT							
Directorate							
Concessionary Fare - Bus Pass Replacement Reserve	Cr 122	0	0	Cr 122	0	0	Cr 122
Local Development Plan	Cr 266	Cr 105	245	Cr 126	0	126	0
Economic Development	0	Cr 200	200	0	Cr 200	200	0
Winter Maintenance Reserve	Cr 342	0	0	Cr 342	0	0	Cr 342
Building Maintenance Reserve	Cr 175	0	175	0	0	0	0
European Fund	Cr 2	0	2	0	0	0	0
Environment Equalization Reserve	Cr 70	Cr 50	31	Cr 89	0	0	Cr 89
Environment Legacy Reserve (SWTRA)	Cr 60	Cr 60	60	Cr 60	0	0	Cr 60
Civic Buildings Future Maintenance	0	0	0	0	0	0	0
	Cr 1,037	Cr 415	713	Cr 739	Cr 200	326	Cr 613

Specific Reserves

Description	Reserve at 1st April 2015 £000	Reserve Movements 2015/16		Balance at 31 Mar 2016 £000	Reserve Movements 2016/17		Balance at 31 Mar 2017 £000
		To £000	From £000		To £000	From £000	
Operating Accounts							
Operating Account -Equalisation	Cr 97	0	0	Cr 97	0	0	Cr 97
Fleet Sentinel Maintenance Reserve	Cr 100	0	15	Cr 85	0	0	Cr 85
Vehicle Tracking	Cr 14	0	0	Cr 14	0	0	Cr 14
Operating Accounts -Vehicle Renewals	Cr 1,446	Cr 1,065	733	Cr 1,778	0	0	Cr 1,778
	Cr 1,657	Cr 1,065	748	Cr 1,974	0	0	Cr 1,974
Total Environment	Cr 2,694	Cr 1,480	1,461	Cr 2,713	Cr 200	326	Cr 2,587
FINANCE AND CORPORATE SERVICES							
Elections Equalisation Fund	Cr 130	Cr 15	0	Cr 145	Cr 15	0	Cr 160
Health & Safety / Occupational Health	Cr 52	Cr 20	20	Cr 52	0	25	Cr 27
Development Fund for Modernisation	Cr 56	Cr 5	0	Cr 61	Cr 5	0	Cr 66
Transformation Management Capacity, Development, Advisors etc.	Cr 55	0	34	Cr 21	0	0	Cr 21
IT Renewals Fund	Cr 1,648	Cr 77	268	Cr 1,457	0	250	Cr 1,207
Corporate Equalisation Reserve	Cr 677	Cr 296	347	Cr 626	0	513	Cr 113
Building Capacity	Cr 336	Cr 50	155	Cr 231	0	175	Cr 56
Management of Change Reserve	0	Cr 602	602	0	0	0	0
Digital Modernisation Reserve	0	Cr 150	0	Cr 150	0	97	Cr 53
Total Finance and Corporate Services	Cr 2,954	Cr 1,215	1,426	Cr 2,743	Cr 20	1,060	Cr 1,703

Specific Reserves

Description	Reserve at 1st April 2015 £000	Reserve Movements 2015/16		Balance at 31 Mar 2016 £000	Reserve Movements 2016/17		Balance at 31 Mar 2017 £000
		To £000	From £000		To £000	From £000	
CORPORATE RESERVES							
Insurance-Claims Reserve	Cr 2,223	0	280	Cr 1,943	Cr 280	280	Cr 1,943
Housing Warranties	Cr 220	0	0	Cr 220	0	0	Cr 220
Fire Reserve	Cr 94	0	21	Cr 73	0	0	Cr 73
Waste Reserve	Cr 733	0	310	Cr 423	0	0	Cr 423
LAWDC Contingency Reserve	Cr 988	0	0	Cr 988	0	0	Cr 988
Treasury Management Equalisation Reserve	Cr 2,516	0	0	Cr 2,516	0	0	Cr 2,516
ERVR - Transitional Reserve	Cr 6,829	Cr 2911	2026	Cr 7,714	0	0	Cr 7,714
Accommodation Strategy	Cr 2,919	Cr 50	50	Cr 2,919	Cr 50	50	Cr 2,919
Total Corporate Reserves	Cr 16,522	Cr 2961	2687	Cr 16,796	Cr 330	330	Cr 16,796
TOTAL ALL REVENUE RESERVES	Cr 28,386	Cr 6,145	6,387	Cr 28,144	Cr 783	2,111	Cr 26,816

General Reserve

	Original 2015/16	Revised 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Estimate 2019/20
Opening balance 1st April	Cr 12,073	Cr 13,814	Cr 14,267	Cr 15,022	Cr 15,687	Cr 16,362
Council Tax increased income	Cr 1,400	Cr 1,400	Cr 1,400	Cr 1,400	Cr 1,400	Cr 1,400
Capital - Phase II Accommodation financing costs	370	370	360	350	340	330
Doubtful Debt Provision	160	160	160	160	160	160
Contributions to the Economic Development Fund	200	200	200	200	200	200
Community Councils Grant Scheme	25	25	25	25	25	25
Additional funding re delay in Gwalia contract	96	96	0	0	0	0
Contribution from reserves re change in timing ENV556- waste services	100	100	Cr 100	0	0	0
SIP programme	80	80	0	0	0	0
Transfer of surplus on cessation of NPT Home Inspection Services Ltd	0	Cr 84	0	0	0	0
Estimated Closing balance 31st March	Cr 12,442	Cr 14,267	Cr 15,022	Cr 15,687	Cr 16,362	Cr 17,047

Equality Impact Assessment – Budget 2016/17

1. Introduction

- 1.1. The Equality Act 2010 requires public bodies to assess the likely impact of proposed policies and practices on its ability to comply with the general duty (to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between different groups; and foster good relations between different groups) for all people with protected characteristics. Annual budget setting is seen as a key policy or practice in this context.
- 1.2. As in previous years impact assessments have been undertaken to ensure the budget setting process not only meets legal requirements but that the Council makes genuinely informed decisions.

2. Background

- 2.1. The Council, along with Trade Unions and other interested parties, has made representations to the Welsh Government prior to the final settlement highlighting the anticipated impact of the forecast significant funding reductions on services and protected groups.
- 2.2. In addition, the Council has engaged and consulted with partners, local organisations and groups, service users and the public from an early stage to explain the issues, explore the solutions and elicit understanding and consensus for the difficult decisions faced.
- 2.3. The legal requirement to set a balanced budget has again been greatly tested. Although the provisional settlement for 2016/17 was considerably better than anticipated there remains a gap of £11.5m between funds available to the Council for 2016/17 and the estimates that the Council need to spend.
- 2.4. Understanding the impact of the various budget proposals and ultimately the way decisions could impact on the whole population has been more crucial than ever.

- 2.5. It is likely that the budget savings identified for 2016/17 will result in an overall net negative impact on service users including groups with protected characteristics. However there are some specific proposals which are regarded as having a positive impact on groups with protected characteristics and there are some where the impact is considered to be neutral.

3. The Process

- 3.1. The Council is mindful of its position as employer, provider and commissioner of services and to this end strives to ensure its ability to meet its legal obligations in a climate of imposed reduced budgets.
- 3.2. To this end the identification of budget savings over the longer term as well as necessitating the need to work smarter has been incorporated into the Council's day to day work as well as its long term plans and strategies, both on an individual basis and in partnership.
- 3.3. The acknowledgment that ever reducing budgets have significant impact on children and young people and those most vulnerable within our communities has led to the Council prioritising its work to protect, and where ever possible, to alleviate the impact of savings on these groups.
- 3.4. Improvement work in relation to children and young people and the most vulnerable in our communities remain our overriding priority and the Council's Corporate Improvement Plan 2016-2019 will detail the work that is being developed to address these areas. The Council's Corporate Priorities have also been subject to extensive consultation.
- 3.5. The Council is conscious of the impact not only of its own actions but also those of others and continues to work in partnership to mitigate where possible the impact of the UK Government's welfare benefit changes on those with the lowest incomes. The full impact of the roll out of Universal Credit has yet to be fully realised following its introduction within the County Borough in April 2015.

- 3.6. The welfare reform impacts will vary enormously but several of the changes are likely to impact simultaneously on the same households and/or individuals, having a significant impact on many residents within the County Borough. However, through the partnership arrangements we have put in place the Council is facilitating support for people who need some assistance with money management and help to make and maintain benefits claims using the online service established by the Department of Works and Pension. The partnership is also helping to identify those who are in greatest need of financial assistance via the Discretionary Housing Payment provisions.
- 3.7. The Council will have the Council Tax Reduction Scheme to support the most financially disadvantaged taxpayers within the County Borough. This scheme is the same that is applied by all councils in Wales and is expected to support some 19,000 taxpayers to help them pay council tax.
- 3.8. Senior Management has undertaken a process, whereby the potential impacts of the new proposals for 2016/17 within the Forward Financial Plan upon the general population and people who share protected characteristics have been considered as part of the decision making process and an overview of the implications for each directorate has been produced. This work will continue for proposals which are still under consideration. Monitoring will also continue, to ensure any adverse impacts upon the general public, including service users, are acknowledged and acted upon appropriately.
- 3.9. An assessment of the impact of the proposals that affect the Council's staff has been considered. To assist with delivering the budget savings the Council, with the support of trade unions, continues to make available an early retirement/voluntary redundancy scheme with the objective of minimising compulsory redundancies. Since 2010 some 2,000 staff have left the Council's employment, including some transferring to other organisations, and it is anticipated that up to a further 100 staff will be leaving the Council's employment by 1st April 2016 via this scheme. Additionally, opportunities are being made available for some staff to be redeployed to alternative roles within the Council with a trial period and retraining, this being a positive outcome.

- 3.10. The consequential permanent job losses will, though, have a negative impact on the local community in terms of future employment opportunities with the Council. As far as pay and conditions of service are concerned, the Council's Workforce Agreement has been designed in a way which seeks to protect the lowest paid, many of whom are female and part-time employees. The Council will also be paying its own and commissioned services staff in line with the government's national living wage. Additionally, some service reconfiguration and restructuring will be necessary to ensure future service sustainability.
- 3.11. Any completed impact assessments have been brought to the attention of Members as part of the reporting process to ensure these inform decisions and have had due regard to the Council's legal obligations.

4. Consultation and Engagement

- 4.1. A wide range of engagement and consultation activities have taken place during autumn 2015 and a separate, more detailed, report on the outcomes of the public consultation on the draft budget is attached at Appendix 8.
- 4.2. Views were sought from groups of people with protected characteristics e.g. Older Persons' Council, Disability Network Action Group and the Black and Minority Ethnic Forum, Youth Council, and the Lesbian Gay Bisexual and Transgender Forum were also sought and have informed the final proposals. It is also evident that responses to the online consultation came from a diverse range of people who share the protected characteristics of age, sex, race and sexual orientation as well as including people whose first language is Welsh.
- 4.3. The Chief Executive took time over the summer to visit local communities to see at first hand the impact of the cuts on local communities, to engage with people and community groups on their priorities and perspectives and to see what is actually happening on the ground and how the impact of the cuts can be mitigated. Feedback from these visits has informed the proposals set out in the budget report and in particular the additional £1.2m made available for street scene improvements.

- 4.4. A partnership event held in September was attended by representatives from a wide range of stakeholders. The Consultation Summary at Appendix 8 contains more detail. The event provided the opportunity to understand the difficult choices facing the Council in managing the savings required as well as giving partners the opportunity to offer a perspective on the choices the Council faces. Consideration was also given to the need for a different contract with our citizens, empowering communities and reducing demand on public services, exploiting digital technology.
- 4.5. A public consultation exercise, October 2015 to the beginning of January 2016, took place on the Council's draft budget proposals and the responses (125) informed the preparation of the Council's budget for 2016/17. Responses relating to individual proposals have been referred to the relevant service areas for consideration as part of their specific individual consultation and assessment activities.
- 4.6. As well as undertaking consultation on the package of proposals individual budget proposals within the package have also been subject to separate consultation and the responses have informed the accompanying equality impact assessments. All proposals along with equality impact assessments, where relevant, have been reported to Members for consideration.

5. General Overview

- 5.1. Savings proposals have been identified as a result of a prolonged and intensive level of professional and Cabinet Member input, which has examined current service provision and proposed fundamental changes in the way the Council operates and delivers services.
- 5.2. As in previous years the Council has required budget reductions from a large number of service areas and across many stakeholder groups but it is anticipated that there will be a net negative impact on protected groups. In 2016/17 there is a greater proportion of savings required from the Social Services budget. Some of the savings are sought from renegotiated contract arrangements and alternative ways of promoting the wellbeing of services based on principles set out in the Social

Services and Wellbeing Act 2014. Additionally, the Council is actively exploring the right sizing of care packages.

- 5.3. The Council has worked to consult widely on proposals and a number of mitigating actions to reduce the impacts, the detail of which are included in the detailed proposals. Inevitably the spatial impact of proposals will be variable across the County Borough.
- 5.4. The initial assessment, taking into account various measures already undertaken in respect of the individual budget proposals, has identified an unavoidable net negative impact on people with shared characteristics.
- 5.5. There are a number of instances where alternative methods of service provision have been/are being identified and/or explored which enable the specific services to be sustained in some form through collaborative working.

6. Directorate Overview

Corporate (including Chief Executive's and Finance and Corporate Services)

- 6.1. Reductions across the various sections within Chief Executive's and Finance and Corporate Services Departments will continue to limit the work able to be undertaken. However, there will be some opportunities to work smarter, in particular by embracing digital options for service delivery to a far greater extent as described in the Digital by Choice Strategy. Full account has been taken of the need to maintain more traditional channels for those who cannot take the opportunities of online services and it is planned in 2016/17 to introduce a Digital Inclusion Strategy with a view to addressing barriers that some citizens face.
- 6.2. Screening and full impact assessments have been undertaken on other proposals, the majority of which indicated no significant equality impacts, and the outcomes have been reported to the relevant Cabinet Board.
- 6.3. The Council will continue to provide the Welsh Government's Council Tax Reduction Scheme which provides up to 100% financial support to council tax payers on low income/benefits. During 2015/16 it provided an additional sum of up to £50 on a

discretionary basis to pensioners in receipt of partial support under this scheme. The Council acknowledges that the withdrawal of this discretionary support will have a negative impact, which is estimated to be no more than £1 per week, on pensioners who share protected characteristics.

Education, Leisure and Lifelong Learning

Education/Schools

- 6.4. Investment in Schools and Education is one of the Council's priorities and will see an increased investment in schools delegated budgets in 2016/17.
- 6.5. However, there will be a differential impact for individual schools; a negative impact on those schools where there is a decrease in pupil numbers and conversely a positive impact on those schools where pupils numbers increase. There will be consequential impacts on staff, pupils, their families, and communities.
- 6.6. While a potential negative impact was anticipated with the proposed savings in the youth service budget, alternative savings streams, including better use of grant funding and additional contributions from schools participating in the Duke of Edinburgh Scheme, within the service have ensured there will be no reduction in access to youth service provision.
- 6.7. The Families First grant has been reduced by the Welsh Government but, as early intervention services are a priority for the Council, additional funding to compensate for the reduction has been built into the budget, therefore reducing the likelihood of any potential negative impact.

Leisure and Lifelong Learning

- 6.8. Savings are concentrated in those areas where the Council has considerable discretion about the scope and quality of service delivery.
- 6.9. In order to reduce the significant negative impact posed by further savings in relation to community facilities and libraries the Council has sought to secure sustainable alternatives, e.g. transfer of

facilities, with partners and community groups. Work to finalise arrangements is ongoing and the detail will be included in the reports that accompany the specific proposals.

- 6.10. The initial budget proposal would have resulted in changes to a raft of community services in 2016/17, however, the better than anticipated Settlement from Welsh Government has enabled the Council to respond positively to consultation responses resulting in proposals being withdrawn, amended or delayed.
- 6.11. The Council has renewed its contract with Celtic Leisure which has ensured the availability of reasonable rates for those on low income to participate in leisure activities via the 'passport to leisure' scheme.

Environment

- 6.12. The directorate has in the past borne the brunt of the cuts on 'visible services' which has been recognised and due to the better than expected settlement an additional £1.2m is being invested in street scene services during 2016/17.
- 6.13. Screening assessments have been undertaken on the various proposals which indicated no significant equality impacts and the outcomes have been reported to the relevant Cabinet Board where appropriate.

Social Services, Health and Housing

- 6.14. It is evident due to the funding made available via the funding settlement that Social Service budgets could no longer be protected and although a more favourable settlement has been received for 2016/17 it has meant that significant savings are required.
- 6.15. Where undertaken, screening assessments either indicated there are no significant equality impacts or alternatively full assessments have been undertaken and the outcomes have been reported to the relevant Cabinet Board.

- 6.16. The Council is conscious of the requirements of the Social Services and Wellbeing Act 2014; to maximise people's independence by providing support to people to live at home, encourage the provision of respite opportunities, right sizing of care packages and more choice and control for service users.
- 6.17. Even though there is a significant savings target within the social services budget the Council has embarked on a programme of modernising services which is anticipated to have a positive impact on service users, although it is recognised that there is risk of a consequential negative impact if the transition from existing arrangements to the new models of service are not effectively resourced and managed.
- 6.18. Consultation is ongoing in relation to various Community and Day Services, the outcome of which will be collated and forwarded for Member approval at the beginning of the new financial year. Some financial savings have been built into the budget in advance of the consultation outcome and any consequential service change.
- 6.19. As a number of budget savings identified in 2015/16 will be realised during 2016/17 and it is anticipated that in the main, these proposals will modernise services to enable better outcomes for service users. It is expected that most proposals will have a positive impact on older and disabled people, although there is an expectation that there will be a negative impact on current users, and workforce, of the community meals service and a range of actions has been identified to mitigate some impacts.

7. Conclusion

- 7.1. The Council has enhanced its consultation with the specific intention of testing the budget proposals on the widest range of people and organisations.
- 7.2. A process has been undertaken whereby the potential impacts of the various budget proposals upon the general population and the various protected characteristics have been considered as part of the decision making process. This work will continue for proposals which are still under consideration and monitoring will also continue, to ensure any adverse impacts upon citizens are acknowledged and acted upon appropriately.

- 7.3. It is not always possible to mitigate adverse impacts totally for the whole population or protected characteristics. However, the budget proposals seek to take into account what is proportionate for the population, including the protected characteristics.

CONSULTATION SUMMARY

OVERARCHING CONSULTATION ON COUNCIL'S BUDGET SETTING PROCESS

1.0 Background

- 1.1 On 30th September 2015, Cabinet authorised the Chief Executive to consult members of the public on the six Council priorities and on 145 proposals for budget savings and additional income. The report highlighted the need to make savings of more than £50m over the next four years, with savings of £18m for 2016/17.
- 1.2 The public consultation was in addition to a number of engagement and consultation activities with other stakeholders which had had taken place during the summer and autumn.

2.0 Introduction

- 2.1 A range of engagement and consultation activities have taken place in order to help inform the 2016-17 budget setting process, as follows:
- Overarching public consultation
 - Internal consultation
 - A Partnership Event
 - Stakeholders consultation
 - Formal written responses

3.0 Consultation objectives

- To provide a mechanism for people to contribute their views to the budget setting process
- To establish how people feel about the proposals
- To find out the reasons why people agree or disagree with the proposals
- To provide a mechanism for people to make comments and suggestions linked to the specific proposals
- To provide a mechanism for people to suggest alternative proposals for saving money to those already outlined by the Council
- To ensure that the consultation was available to as many residents and organisations as possible

4.0 Overarching public consultation

4.1 To help ensure that the consultation was as widely available as possible, there were 4 mechanisms by which people could submit their views:

- Online - a self-completion questionnaire was published on “Objective”, the Council’s online consultation portal. Respondents were not asked to identify themselves, but were asked to indicate their interest in the Council’s Budget setting process and their postcode. The questionnaire was live from Thursday 1st October 2015 until midnight on Sunday 3rd January 2016.
- Questionnaires in public buildings - consultation packs were made available in 34 public buildings across the county borough. These included the One Stop Shops in Neath and Port Talbot, all Council run libraries in NPT and all Council run community centres in NPT, amongst others. The consultation packs included a supply of self-completion questionnaires, a post box for completed questionnaires and a copy of the report to Cabinet from 30th September, which outlined the proposals. All materials were provided in English and Welsh. The packs were available from October 2015 until the beginning of January 2016. The questionnaire was a replica of the online version and responses were entered into Objective for analysis.
- Email - The email address nptbudget@npt.gov.uk was promoted for people who wanted to respond via this mechanism. The email account was managed by the Corporate Communications team. As comments were received, they were forwarded to the relevant Head of Service to be taken into consideration and an acknowledgement was emailed to the sender.
- Corporate social media accounts – the Council’s corporate Facebook and Twitter accounts were also monitored for feedback. Any comments received were forwarded to the relevant Head of Service to be taken into consideration.

4.2 The consultation was promoted via:

- a dedicated section on the Council website (www.npt.gov.uk/budget)
- the feature banner on the Council website's homepage
- adverts/posters on TV screens in Council buildings
- posters in notice boards in Council buildings
- messages from the corporate Facebook and Twitter accounts
- the Council's corporate staff newsletter
- intranet messages to all staff from the Chief Executive
- press coverage from the Cabinet report and press releases

4.3 125 responses were received. All were from residents of NPT. Geographically, the highest number 35 (28.00%) were from the Neath area (including Neath, Cadoxton, Briton Ferry, Tonna and Cimla), followed by 31 (24.8%) from Port Talbot (including Port Talbot, Baglan and Margam, 10 (8%) from the Swansea Valley (including Pontardawe and Ystalyfera), 7 (5.6%) from the Afan Valley, 5 (4.00%) from the Amman Valley (GCG and Cwmgors), 5 (4.00%) from the Neath Valley (Resolven, Cwmgwrach and Glynneath) and 2 (1.6%) from the Dulais Valley (Dyffryn Cellwen and Seven Sisters).

4.4 The top 10 themes from the comments and suggestions are outlined in below (highest number of comments first):

1. Disagree with cuts to library services in general / transferring library services to volunteers
2. Comments that the number of councillors/councillors expenses could be reduced
3. Comments that saving could be made from further reductions in workforce, staffing structures, pay etc
4. Disagree with closing Skewen Library
5. Disagree with closing Cefn Coed Colliery Museum
6. Disagree with closing Baglan Library
7. Disagree with cuts to community centres
8. Disagree with stopping mobile library service
9. Suggested collaboration with other organisations
10. Outsource more services if necessary

4.5 Council Tax - There were 18 comments which included a reference to Council tax:

- 6 of these related to the fact that they had to pay Council Tax when cuts in service provision was proposed for their community
- 3 suggested increasing council tax to protect services

- 3 suggested freezing council tax
- 2 felt that the council tax in this area is high
- 2 said they wanted maximum value and professional service for their council tax payments
- 3 suggested the Council should tackle fraudulent claims for council tax discounts or reducing Council tax benefits
- 1 stated that they weren't sure what their Council tax is being spent on; and
- 1 proposed the use of reserves to reduce the level of cuts

5.0 Internal Consultation

5.1 During the period July 2015 to January 2016 a number of engagement and consultation activities were organised for Council staff to help inform the budget setting process. These included:

- The Chief Executive held two rounds of staff engagement sessions to discuss the budget planning process. These took place in the 3 main civic buildings in July 2015 and January 2016. A total of 560 staff attended across the 8 sessions (285 in July and 287 in January).
- An intranet 'post a question' facility ran for 8 weeks between July and August 2015 and again for 12 weeks between October 2015 and January 2016. A total of 119 questions were submitted during that time. Post a question boxes, along with copies of relevant Cabinet reports and the intranet FAQs, were also placed in 12 locations around the Council for staff without access to the intranet. No questions were received via these.
- A dedicated email address (nptbudget@npt.gov.uk) was promoted for staff who wished to respond in that manner. There were 4 questions received in this way.
- Continuous dialogue with trade union representatives.

5.2 These consultation mechanisms were promoted via:

- Posters in Council buildings
- Articles in the corporate staff magazine 'In the Loop' for the June 2015 and December 2015 editions
- Email circulated to all Heads of Service and Accountable Managers to cascade the details to staff
- Staff news articles and Chief Executive's messages on the intranet informing staff of the budget strategy report to cabinet (June 2015), provisional settlement from Welsh Government

(December 2015) and staff engagement sessions (July 2015 & January 2016)

- 5.3 The key themes from the questions that staff asked at the meetings included:
- The proposed alternative delivery model for adult social care
 - Details of the ER/VR scheme
 - Possibility of compulsory redundancies
 - What services are likely to receive a reduction to their budget
- 5.4 Some of the key suggestions for saving money put forward by staff at the briefings and via the Post a Question facility were:
- question the need for external consultants
 - the possibility of wage cuts, reduced hours and job sharing
 - using office space more efficiently to accommodate staff
 - being more energy efficient with the heating of buildings
 - using surplus office space for income generation
 - better use of council owned tourist attractions
 - selling of advertising space on Council assets
 - increasing trade at the Bytes cafes
 - queries raised about the most cost effective ways to recycle
 - raising recycling targets
 - increasing fines for people who fail to recycle
 - replacing parking permits with an electronic system similar to the DVLA tax disc process
 - longer opening times and a pay on exit system for parking
 - increase the number of staff that have to pay car parking charges
 - improve the broadband speed to increase efficiency
 - better control of spending on unnecessary items and stationary
 - improved monitoring of mobile phone usage
 - possible collaboration opportunities with neighbouring authorities

6.0 Partnership Event

- 6.1 A Partnership Budget Seminar was held on Monday 7th September 2015 at the Princess Royal Theatre. The aims of the event were to:
- Inform partners of the difficult choices facing the council to be able to manage the savings required;
 - Give partners the opportunity to offer a perspective on the choices the Council faces;

- Help inform the office advice to elected members later in the autumn and in the New Year when setting the 2016/17 budget; and
 - Provide partners with the opportunity to comment upon the Council's draft improvement priorities for 2016/17
- 6.2 The invitation was sent to stakeholders representing the business sector, voluntary sector, public sector, trade unions, the media, town and community councils and elected members of NPTCBC. Invitations were also extended to Assembly Members and Members of Parliament for the area as well as external auditors, inspectors and the independent Commissioners established by Welsh Government. Members of the Older Persons' Council, Youth Council, Disability Forum, BME Forum and Lesbian, Gay and Transgender Forum for the county borough were also invited to take part. There were 70 participants.
- 6.3 At the event, three of the Council's key partners i.e. Neath Port Talbot Council for Voluntary Services, South Wales Police and Department for Works and Pensions made presentations on how they have facilitated and adopted more transformational approaches in service delivery in order to meet the service and financial challenges they face in their own organisations.
- 6.4 This was followed by a series of round table discussions. There were 10 tables which were facilitated by a senior officer from the relevant service areas being discussed. Each table was allocated one of the Council's 6 draft improvement priorities and asked to consider the following questions:
- Are there any services the Council should stop or reduce?
 - Can you suggest any other ways the Council could do things differently to save money?
 - Do you agree with the draft improvement priorities for 2016/2017?
 - Consider if the above discussions have an impact or effect on the draft improvement priorities?
- 6.5 Each table was asked to decide on the key points they discussed. These can be summarized as follows:
- Safer, Brighter Futures – 1. Need to continue to reduce our Looked After Children population safely; 2. Need to strengthen and embed sustainable, preventative/support services; 3. Work

with 3rd Sector organisations in applying for grants etc. to help build resilient communities.

- Better Schools, Better Futures – 1. Closer examination and further analysis of statutory versus non statutory services. Align this to a long-term vision for the Directorate; 2. Detailed understanding and allocation of funding in order to meet corporate priorities such as out of county Special Educational Needs (SEN) placements, recognition of early intervention and preventative measures; 3. What services can be delivered differently - taking into consideration Community Engagement, Libraries, Theatres, Youth Services, Leisure Services, Regeneration and Digital Enhancement
- Maximizing Choice and Independence (2 tables)
Table 3 - 1. Provision of good online central resource to access information (eg. benefit advice etc), avoiding duplication of effort amongst partners; 2. Housing – Out-of-County Placements are an issue. Improve working relationships with RSL's (Registered Social Landlords) and 3rd Sector (avoid risk aversion); 3. All partners to approach cultural change together. Continue to invest in early intervention and prevention services. Greater engagement with 3rd Sector in planning and delivery of services (greater transparency and trust)

Table 4 - 1. Reduction of duplication between services through improved integration: 2. Further shift from more institutionalised services to early intervention/prevention and community available services/models (with safeguards); 3. Enhancing partnership working to access resources, sharing of information and improving communication between agencies
- Prosperity for All (4 tables)
Table 5 - 1. We need to create a common housing allocation policy, to include a common housing register of demand, a list of adapted properties and a list of demand for such properties; 2. We need to explore more collaborative working with other authorities to achieve savings, particularly around the area of homelessness; 3. We need to manage expectations better and to promote areas of housing supply where there is negativity that tends to stop people choosing those areas

Table 6 - 1. It was agreed that the biggest issue was the move

towards Universal Credit; 2. Domestic violence is on the increase; 3. Austerity was actually taking away people's choice. DWP idea was to get people back into work. It was noted that there were instances in Neath Port Talbot of people with no money at all. The vulnerable were being forced to come back to the Council where budgets were being cut

Table 7 - 1. The standardisation of documentation and processes between neighbouring authorities. Appointment of Liaison Officers to ensure positive communication and engagement, particularly around major Economic Development projects; 2. The use of public service buses for school transport where possible; 3. Greater raising of awareness of opportunities for the transfer of community assets. Promotional events regarding funding streams, advice on legal issues, insurance etc. in order to encourage community groups to come forward

Table 8 - 1. Delivering services differently e.g. social enterprises, combined services, community asset transfer, digital technology; 2. Increasing income through fees (if market allows) and increasing external funding; 3. Utilise assets we have e.g. vehicles, buildings with the aim of reducing subsidies

- Reduce, Reuse, Recycle – 1. Bring all aspects of environment enforcement together including all on-street enforcement effort (parking/ environment) integrate and increase enforcement if possible; 2. Maintain awareness raising and engagement effort for waste recycling. Keep service simple. Community re-use workshops, more recycling – less disposal costs. Target people who do nothing; 3. Maintain and develop community capacity. Prioritise third sector funding in line with demands on communities and promote skills and training, deal with insurance issues associated with community activity
- Better Simpler Cheaper - 1. The Council website (Easier to use, Simple to use – no jargon/abbreviations, External customer testing to identify any issues before going live, Ask partners e.g. Shaw Trust to ensure accessible for all); 2. Promote new services (still continue to use community information points/facilities e.g. bus stops, community notice boards, focal points; 3. Make sure we know where help and support can be found – do we know what and when services are available? What are the gaps? (up to date and easy to access online – e.g.

directory of information and its maintenance, ensure there is no duplication/overlap between partners responsibilities and service delivery – keep mapping of service provision up to date, look to other community provision/opportunities e.g. schools computer clubs, community councils, frontline staff, target resources on frontline – reduce administrative processes, how can we make the workforce more digitally included so they are ambassadors of online transactions/to help increase take up in the communities in which they work, help those who can't easily access online services).

- 6.6 The key themes that emerged from the day were:
- Early intervention and prevention
 - Collaboration and integration
 - Demand management

7.0 Consultation with other stakeholders

- 7.1 To ensure that the consultation was accessible to as many stakeholders as possible, it was raised as an agenda item at a number of forums and groups, including:
- Neath Port Talbot Local Service Board
 - Trade Unions
 - NPTCBC Staff Council
 - Town and Community Council Liaison Forum
 - Voluntary Sector Liaison Forum
- 7.2 Two elected Members' Seminars were held on Thursday 16th July and Thursday 25th September 2015.
- 7.3 At the July seminar the Chief Executive and Director of Finance and Corporate Services discussed with Members the latest positions in relation to the Budget/Forward Financial Plan for the period 2016 to 2020. The seminar also provided an update on the latest position relating to Local Government Reorganisation. 30 Elected Members attended.
- 7.4 The second seminar was designed to provide Members with the projected budget gap for 2016/17 through to 2019/20 and to provide details of areas of savings for public consultation following Cabinet Scrutiny and approval (due for consideration on 30th September 2015). 28 Elected Members attended.

7.5 Each of the Council's scrutiny committees also reviewed the proposed budget savings in detail over the autumn 2015 and feedback from the committees was given to the Council's Cabinet Members.

8.0 Formal responses from politicians and key organisations

8.1 Two formal responses were received. A summary of some of the issues raised in each are as follows:-

- David Rees AM:
 - urged the Council to reflect on the proposals in light of the better than anticipated Local Government settlement
 - asked the Council to give consideration to:
 - support from the third sector organisations that can provide essential services for citizens
 - a revision of the proposals to close Baglan and Skewen Libraries
 - the continuation of operation of the Community Centre in Cwmafan and suggested that offices at the Community Centre could be let to help balance income against expenditure
- The Neath Port Talbot Older Person's Council (OPC):
 - acknowledged and understood the budget restrictions that have and are being experienced by the Council. They also mentioned that difficult decisions have yet again to be made in relation to essential services, albeit they could be retained with reduced capacity or provided in collaboration with others.
 - felt they were only partly informed about the proposals
 - whilst there is considerable amount of detail set out in the savings schedule, the OPC felt that more clarity in relation to the proposed impact and risks should have been set out. Such clarity was more apparent in the Education and Lifelong Learning proposals
 - saw no evidence that assessments have been carried out regarding the impact upon those with protected characteristics, or the legal implications and workforce impact
 - would like to see evidence of some form of safeguards being in place for sustainability around the proposals from this point on
 - would like to be assured that that the quality of any change or alternative provision that a service is delegated to, or service users/residents are signposted to, is maintained or enhanced
 - felt unable to comment on the Council's six improvement objectives because if a considerable amount of these proposals

are taken forward then they would have a big impact upon, or even negate, many of the underlying actions to sustain these objectives

- noted that some of the actions proposed were also put forward as intentions in the budget consultation in 2015/16 and felt it would also be useful to know the reason why these were not enacted in the last round of budget setting
- Asked if the list of proposals will be adjusted in light of the better than anticipated Local Government settlement

9.0 Petitions

9.1 There were two petitions led by Unison. One which asked supporters to sign letters and an online campaign hosted on change.org.

9.2 Letter Campaign

9.3 The focus of this was library services, with Unison asking people to sign letters to the Leader of the Council opposing 'any further reduction to the [Library] service, including transfer to community management of libraries at Baglan and Skewen or any changes to the Mobile library service as outlined to the Cabinet in September 2015.' A total of 2973 signed letters were received by the Council.

9.4 The letter cited 5 immediate concerns, i.e. that Neath Port Talbot Libraries:

1. Spend the least amount on new books in Wales.
2. Have the fewest public access PCs available to the public.
3. Have amongst the lowest staffing levels in Wales
4. Our libraries are now open the fewest hours in Wales
5. The library service in NPT is already the most cost efficient in terms of costs per visit and yet the authority seeks further budget reductions at the risk of failing to provide a quality service.

9.5 Online petition

9.6 An online petition was published on the petition website change.org. The focus of this was library services and Cefn Coed Museum.

- 9.7 The purpose was to petition local councillors to oppose the proposals to close the libraries in Baglan and Skewen, plus the Mobile Library Service and Cefn Coed Museum. The petition asked them to 'work with the community and UNISON on finding alternative models, which will both save money and save these vital community services.'
- 9.8 The petition was targeted at 'our councillors' and 34 councillors email addresses. Each time a supporter signs a petition on Change.org, an email is automatically sent directly to any email addresses that have been specified. Therefore each time the petition was signed, 34 Councillors would have received an email.
- 9.9 There were 298 supporters (signatures) for the online petition.
- 9.10 Letter
- 9.11 There was a letter containing 3 signatures included with the letters from Unison.
- 9.12 The main theme of the letter was asking the Council to keep Baglan Library open. The authors stated that they go there every day after school and enjoy the attached youth club, it is in walking distance for them and that they have seen other choose books and go away happy.

Neath Port Talbot County Borough Council

CABINET

2nd FEBRUARY 2016

Report of the Head of Financial Services – Dave Rees

Matter for decision

Wards Affected:

All

Capital Programme 2016/17-2018/19

Purpose of report

1. The purpose of this report is to set out the capital programme for 2016/17 to 2018/19.
2. **Updated Capital Programme for 2015/16**

The original capital programme totalled £66.821m, the updated programme for 2015/16 currently stands at £66.729m, with the major variations being:

- Projects and funding carried forward from 2014/15 totalling £1.789m. The major project affected by this relates to the re-profiled payments for the Aberavon Leisure and Fitness Centre amounting to circa £1.1m
- Additional grant funding received during the financial year relating to PDR land compensation claims (£0.649m) and recycling collection vehicles (£0.804m).
- Expenditure in relation to the Neath Town Centre re-development incurred sooner than profiled i.e. in 2014/15 as opposed to 2015/16.

The 2015/16 Programme includes the following significant achievements:

- Progressing with the building of Ysgol Bae Baglan, the £40.7m '3-16' new build school at Western Avenue, Baglan Bay.

- Construction and re-modelling works at the existing Ysgol Gyfun Ystalyfera Comprehensive School site.
- To complete the construction of a replacement leisure facility at Aberafan Seafront.
- Completion of the first phase of the re-development of Neath Town Centre which includes the construction of a new multi storey car park and the first 23,000 square feet of retail space.

3. **2016/17 Welsh Government All Wales Capital Settlement**

Due to the close proximity of the UK Government's spending review announcement to the release of the local government settlement, additional information regarding the total capital allocation will be made available as part of the final local government settlement. The Council will be seeking to maximise its capital programme investment from such additional/match funding opportunities.

4. **General Capital Funding**

The provisional settlement provides details of the amount of general capital funding to be distributed to local authorities. The Welsh Government has kept this funding at the same level as 2015/16 i.e. £142.837m on an all Wales basis.

Neath Port Talbot's share of this funding has increased from £7.032m to £7.058m with £2.670m paid as a capital grant and the remaining £4.388m treated as supported borrowing with an allowance included in the revenue settlement to pay for the debt charges.

The settlement includes no forward forecast for general capital funding therefore it is proposed that for planning purposes an estimate of £7m is used for future years capital programmes.

The following table sets out the amount of funding available to the Council to distribute to capital projects. In addition to the funding provided by the WG there is also an assumption included as to the amount of money which will be made available as a result of the sale of council assets (capital receipts).

The Council has also built into its revenue budget funding to support £2m per annum of prudential borrowing recognising the importance of continued capital investment within the County Borough.

Projected Capital Programme Funding

	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
WG Funding	7,032	7,058	7,000	7,000
Capital Receipts	1,300	1,300	1,300	1,300
Prudential Borrowing	2,000	2,000	2,000	2,000
Total	10,332	10,358	10,300	10,300

The following table sets out the distribution of the above mentioned funding to each service area:

Members will note from the table below that from 2016/17 the amount of funding retained as a contingency has been reduced and replaced by increased investment in Education, Leisure and Highways.

Base Budget Allocations

Service	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
Education	950	1,200	1,100	1,100
Leisure	75	150	150	150
Highways and Engineering	1,500	1,775	1,625	1,625
Neighbourhood Improvements	150	150	150	150
Pavilions	100	100	100	100
Regeneration Studies	275	275	275	275
Regeneration	2,000	2,000	2,000	2,000
Disability Access	150	150	150	150
Health & Safety	850	850	850	850
Social Services	150	150	150	150
Disabled Facilities Grants	3,000	3,000	3,000	3,000
Contingency	1,132	558	750	750
Sub – Total	10,332	10,358	10,300	10,300

The Base Budget Allocations to Education, Leisure, Pavilions and Social Services provide important investment to maintain buildings infrastructure including roofs, heating, lighting etc. The investment

in Highways and Neighbourhood improvements will enhance transport, bridges and other structures. The largest budget continues to be Disabled Facilities Grants to enable people to live independently in their own homes. £30m has been invested by the Council over the past 10 years with a further £9m being made available for the next 3 years.

A contingency sum of £750k is provided in 2017/18 and 2018/19. The distribution of this sum will be reviewed as part of setting the 2017/18 Capital Programme.

5. **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 i.e. capital receipts
- Specific Grants
Funding provided for specific projects by various organisations such as European Funding, 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.

The following paragraphs detail some of the initiatives funded from 2016/17 onwards:

Strategic School Improvement Programme (SSIP)

Provision has been made for the continued investment in the ongoing SSIP with projects being included as and when they have reached the stage of being formerly approved.

The Authority continues to actively engage with the Welsh Government's 21st Century Schools five case business case process in relation to accessing funding for future developments of its SSIP. The current proposal is that there will be investment of approximately £100m into the School estate between 2014 and 2020 with the Welsh Government providing £46.5m of the funding and the balance being funded predominantly by the Council through prudential borrowing arrangements.

The current programme includes £40.711m of funding to build 'Ysgol Bae Baglan' a new "all through" 3-16 Comprehensive School at Western Avenue Baglan Bay. This school will accommodate 1,100 mainstream secondary age pupils, 300 mainstream primary age pupils and a specialist learning support centre for 100 pupils and will open in September 2016.

Also included in the programme is provision of £17.5m which will be used to fund new build construction and remodelling works at the existing Ysgol Gyfun Ystalyfera site. This project will create a 21st Century 3-18 Welsh Medium School which will incorporate the current Ysgol Gynradd Gymraeg y Wern and Ysgol Gyfun Ystalyfera.

Members should note that investment in the "Band A" Projects within the £100m available will be added to the Programme in future years as and when Full Business Case and Funding are approved.

County Borough Regeneration

The Authority has completed the first phase of the regeneration of Neath Town Centre with the opening of the new Multi Storey Car Park and 'Wilko' retail unit.

Significant progress is being made in delivering the Vibrant and Viable Places programme in Port Talbot. This programme will see the Council receive £9m of funding from the Welsh Government with c£25m in total being invested in the area which includes

substantial investment from the private and third sectors. The programme will transform the living and working environment of Port Talbot town centre which will include 140 new homes, 2,000 square metres of additional commercial space and environmental improvements to more than 350 residential properties

In addition to the regeneration of Neath and Port Talbot projects are being delivered in the rest of the County Borough including many Valley communities.

Street Lighting

The programme includes the continuation into the final stage of the large scale public lighting infrastructure project. Included within this programme is additional investment of £800k for new energy efficient LED lamps which will last 20 years.

Major Bridge Strengthening

The Council is investing c£2.4m in major bridge strengthening work on the Bont Fawr Aqueduct in Pontrhydyfen, on the A474 river bridge which leads to and from Neath Town Centre and the Alltwn Hill Bridge from Alltwn to Pontardawe.

6. 2016-2019 Project Detail

The detailed schedule of projects to be delivered between 2016 and 2019 is included in Appendix 1 of this report. Members will note the investment of £41m in 2016/17 and whilst the proposed programme identifies some £72m over the next 3 years the final total for investment will be in excess of £100m.

Financial Impact

7. All financial impacts are detailed within the body of the report.

Equality impact assessment

8. There is no requirement for an equality impact assessment for this report.

Workforce impacts

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

Legal impacts

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

Risk management

11. 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.

Consultation

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

Recommendations

13. It is recommended that Members commend to Council the approval of:
 - The Capital Programme for 2016/17 to 2018/19 as detailed in Appendix 1 to this report.
 - That the Programme be kept under review and updated over the coming year.

Reasons for proposed decisions

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

Implementation of decision

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

Appendices

16. Capital Programme 2016/17 to 2018/19.

List of background papers

17. Local Government Settlement 2016/17
Capital Programme Working Papers

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Appendix 1

Capital Programme - 2016/17 to 2018/19																
	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			
	Funded by			Funded by			Funded by			Funded by			Funded by			
	Budget	NPT	External	Budget	NPT	External	Budget	NPT	External	Budget	NPT	External	Budget	NPT	External	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Service																
Education, Leisure and Lifelong Learning	36,318	26,859	9,459	35,375	25,844	9,531	18,480	12,366	6,114	7,086	5,406	1,680	1,467	1,467	0	
Environment	24,601	15,748	8,853	24,778	14,922	9,856	16,784	12,590	4,194	8,134	8,134	0	5,150	5,150	0	
Social Services, Health and Housing	4,770	3,850	920	5,552	3,186	2,366	4,169	3,249	920	3,150	3,150	0	3,150	3,150	0	
Corporate Services				650	650		640	640		640	640		640	640		
Margam Crematorium				14	14											
Contingency	1,132	1,132		360	360		558	558		750	750		750	750		
Total	66,821	47,589	19,232	66,729	44,976	21,753	40,631	29,403	11,228	19,760	18,080	1,680	11,157	11,157	0	
Funded by																
WG - General Capital Grant	2,660	2,660		2,660	2,660		2,670	2,670		2,670	2,670		2,670	2,670		
WG - Supported Borrowing	4,372	4,372		4,372	4,372		4,388	4,388		4,330	4,330		4,330	4,330		
Capital Receipts	3,400	3,400		3,700	3,700		1,300	1,300		1,300	1,300		1,300	1,300		
Prudential Borrowing	36,074	36,074		32,052	32,052		19,449	19,449		8,081	8,081		2,857	2,857		
Specific Reserves / Unapplied Grant	1,083	1,083		2,102	2,102		1,596	1,596		1,699	1,699					
Direct Revenue Funding				90	90											
External Grants and Private Investment	19,232		19,232	21,753		21,753	11,228		11,228	1,680		1,680				
Total	66,821	47,589	19,232	66,729	44,976	21,753	40,631	29,403	11,228	19,760	18,080	1,680	11,157	11,157	0	

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project Total £'000
	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	
<u>Education, Leisure and Lifelong Learning</u>																
Capital Maintenance	950	950		1,044	1,044		1,200	1,200		1,100	1,100		1,100	1,100		
Strategic School Improvement																
Ysgol Newydd Bae Baglan	24,000	15,016	8,984	22,020	13,036	8,984	10,014	5,000	5,014	1,339	1,339					40,711
Ystalyfera 3-18 Welsh Medium	5,900	5,425	475	4,971	4,496	475	6,344	5,244	1,100	4,497	2,817	1,680	217	217		17,500
YGG Gwaun Cae Gurwen - New Kitchen				98	98											493
Transportation Improvements				152	152											
Flying Start				72		72										
Leisure Investment	75	75		93	93		150	150		150	150		150	150		
Aberafan Seafront Leisure Facility	5,393	5,393		6,600	6,600		500	500								13,626
Aberafan Seafront Leisure Facility - additional furniture and fittings				275	275											
Margam Park camping and caravan site				50	50		272	272								
Total	36,318	26,859	9,459	35,375	25,844	9,531	18,480	12,366	6,114	7,086	5,406	1,680	1,467	1,467	0	

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project	
	Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Budget £'000	Funded by		Total £'000	
		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		NPT £'000	External £'000		
<u>Environment</u>																	
Highways and Engineering	1,500	1,500		1,724	1,679	45	1,775	1,775		1,625	1,625		1,625	1,625			
Baglan Energy Park link bridge				200	200												
PDR Land compensation claims				649		649											
Environmental Improvements - Harbour Way				144	144												
Safe Routes / Road Safety Grant				743		743											
Swansea University bay campus cycleway link				250		250											
Bus Stops on Baglan Energy Park				150	100	50											
<u>Major Bridge Strengthening</u>																	
Bont Fawr aqueduct	590	590		190	190		400	400									190
A474 Neath river bridge	450	450		450	450		550	550									1,000
Alltwen Hill							430	430		385	385						815
Bryn Road - Embankment Failure				375	375												
Retaining edge protection - Afan Valley				375	375												

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project Total £'000
	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	
Neighbourhood Improvements	150	150		150	150		150	150		150	150		150	150		
Pavilions	100	100		252	252		100	100		100	100		100	100		
Disability Access	150	150		333	333		150	150		150	150		150	150		
Health and Safety	850	850		1,027	1,027		850	850		850	850		850	850		
Street Lighting	4,000	4,000		4,100	4,100		3,592	3,592		900	900					21,570
Vehicle Replacement Programme	1,083	1,083		1,072	1,072		1,497	1,497		1,699	1,699					
Tidy towns/greener cleaner places - Pontardawe				15	15											
Recycling collection vehicles				804		804										
Caegarw Gypsy site extension				1,500		1,500										
Port Talbot - Multi Storey Car Park floor repairs				30	30											
Water Street Neath				90	90											
Lodge Drive/Fairwood Drive - Car Park Improvement Works				60		60										

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project Total £'000
	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	
Regeneration										2,275	2,275		2,275	2,275		
Regeneration including Vibrant, Viable Places	11,128	2,275	8,853													
Valleys Regeneration Programme				180	115	65	50	50								
Port Talbot Regeneration Programme including Vibrant, Viable Places				5,170	320	4,850	5,580	1,386	4,194							
Neath Regeneration Programme including Multi Storey Car Park and Retail Unit	4,600	4,600		2,869	2,869		1,600	1,600								
Convergence Programme including NPT Regeneration				1,442	753	689										
Other regeneration projects				434	283	151	60	60								
Total	24,601	15,748	8,853	24,778	14,922	9,856	16,784	12,590	4,194	8,134	8,134	0	5,150	5,150	0	

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project Total £'000
	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		108	108		150	150		150	150		150	150		
Social Services Contingency	700	700														
Adults Respite Centre				70	70											
Min yr Afon - Demolition & Landscaping							99	99								
Disabled Facilities Grants	3,000	3,000		3,000	3,000		3,000	3,000		3,000	3,000		3,000	3,000		
Housing Renewal Area	920		920	920		920	920		920							
Ty Maes Marchog - retention				55	8	47										
Arbed - Eco energy efficiency improvements				1,399		1,399										
Total	4,770	3,850	920	5,552	3,186	2,366	4,169	3,249	920	3,150	3,150	0	3,150	3,150	0	

Capital Programme - 2016/17 to 2018/19

	Original 2015/16			Revised 2015/16			Original 2016/17			Original 2017/18			Original 2018/19			Project Total £'000
	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	
Other																
Corporate Services - IT / Vehicles asset financing				650	650		640	640		640	640		640	640		
Margam Crematorium - Cremator replacement retention				14	14											
Contingency	1,132	1,132		360	360		558	558		750	750		750	750		
Grand Total	66,821	47,589	19,232	66,729	44,976	21,753	40,631	29,403	11,228	19,760	18,080	1,680	11,157	11,157	0	0

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