



## **Y CABINET**

**DYDD MERCHER, 31 HYDREF 2018**

**YN SYTH AR ÔL CYFARFOD PWYLLGOR CRAFFU POLISIÄU AC  
ADNODDAU'R CABINET**

**SIAMBR Y CYNGOR – CANOLFAN DDINESIG CASTELL-NEDD PORT  
TALBOT**

### **Rhan 1**

1. Periodi cadeirydd
2. Datganiadau o gysylltiadau
3. Blaenraglen Waith 2018-19 (Tudalennau 3-6)
4. Monitro Cyllideb Refeniw 2018/19 (*Tudalennau 7 - 34*)  
*Adroddiad Grŵp y Cyfarwyddwyr Corfforaethol*
5. Monitro Cyllideb Gyfalaf 2018/19 (*Tudalennau 35 - 40*)  
*Adroddiad y Pennaeth Cyllid*
6. Cyllideb Ddrafft ar gyfer Ymgynghoriad 2019/20 (Tudalennau 41 - 84)  
*Adroddiad Grŵp y Cyfarwyddwyr Corfforaethol*
7. Monitro Rheolaeth y Trysorlys 2018/19 (*Tudalennau 85 - 88*)  
*Adroddiad y Pennaeth Cyllid*
8. Cynllun Grantiau'r Trydydd Sector (*Tudalennau 89 - 126*)  
*Adroddiad ar y Cyd gan y Cyfarwyddwr Cyllid a Gwasanaethau Corfforaethol, y Prif Weithredwr Cynorthwyol a'r Prif Swyddog Digidol*

9. Cronfa Gymunedol Aelodau - Pelenna (*Tudalennau 127 - 132*)  
*Adroddiad gan y Pennaeth Trawsnewid*
  
10. Eitemau brys  
Unrhyw eitemau brys (cyhoeddus neu wedi'u heithrio) yn ôl  
disgresiwn y Cadeirydd yn unol ag Adran 100b (4)(b) Deddf  
Llywodraeth Leol 1972

**S.Phillips**  
**Prif Weithredwr**

**Canolfan Ddinesig**  
**Port Talbot**

**Dydd Iau, 25 Hydref 2018**

**Aelodau'r Y Cabinet:**

Y Cyngorwyr R.G.Jones, A.J.Taylor, C.Clement-Williams,  
D.W.Davies, D.Jones, E.V.Latham, P.A.Rees, P.D.Richards a/ac  
A.Wingrave

**2018 – 2019 FORWARD WORK PLAN**

**CABINET**

<b>Meeting Date</b>	<b>Agenda Items</b>	<b>Type (Decision/ Monitoring Or Information)</b>	<b>Rotation (Topical, Annual, Bi-Annual, Quarterly, Monthly)</b>	<b>Contact Officer/ Head of Service</b>
<b>21 November 2018</b>	Council Tax Base	Information	Topical	H.Jenkins
	Corporate Governance Improvement Action Plan 2018/2019	Monitoring	Bi-Annual	K.Jones /C. Furlow
	Quarter 2 - 2018/19 Quarterly Performance reporting Data	Monitoring	Quarterly	K.Jones
	Members Community Fund	Decision	Monthly	P.Hinder
	Ethical Employment	Decision	Topical	C. Griffiths
	Delegated Powers	Decision	Topical	C. Griffiths
	Strategic Equality Plan Annual Report 2017/18	Decision	Topical	K.Jones
	Implementation of Commons Act 2006	Decision	Topical	C.Griffiths

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Cabinet – Forward Work Programme

Meeting Date	Agenda Items	Type (Decision/ Monitoring Or Information)	Rotation (Topical, Annual, Bi-Annual, Quarterly, Monthly)	Contact Officer/ Head of Service
<b>5 December 2018</b>	Members Community Fund Application	Decision	Monthly	P.Hinder
	Digital Strategy Update	Decision	Monthly	K.Jones
	Flexis Presentation (put first on Agenda )	Information	-	S.Phillips
	Valleys Task and Finish Group – Cabinet Response	Information	-	K.Jones

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Cabinet – Forward Work Programme

Meeting Date	Agenda Items	Type (Decision/ Monitoring Or Information)	Rotation (Topical, Annual, Bi-Annual, Quarterly, Monthly)	Forwarded to: CDG, CMB, Cabinet, Council	Contact Officer/ Head of Service
16 January 2019	Members Community Fund Application	Decision	Monthly	-	P.Hinder

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Mae'r dudalen hon yn fwiadol wag

## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

#### REPORT OF THE CORPORATE DIRECTORS GROUP

31<sup>st</sup> October 2018

#### SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

#### REVENUE BUDGET MONITORING REPORT 2018/19

##### 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 over spend by £2.456m, but this is offset by a projected underspend of £806k in

the other elements of the budget (inclusive of proposed net transfer to/from reserves). The net budget is therefore projected to overspend by £1.650m, as outlined in the table below.

	<b>Original budget 2018/19</b>	<b>Revised budget 2018/19</b>	<b>Projected Outturn 2018/19</b>	<b>Variance</b>
	£'000	£'000	£'000	£'000
ELLL - Schools	81,708	81,708	81,708	<b>0</b>
ELLL - Other	23,816	24,582	25,359	<b>777</b>
SSHH	78,632	78,713	80,213	<b>1,500</b>
ENVT	34,755	35,645	36,035	<b>390</b>
CORP	17,433	17,471	17,260	<b>-211</b>
<b>Directly controlled</b>	<b>236,344</b>	<b>238,119</b>	<b>240,575</b>	<b>2,456</b>
Other	46,511	44,736	43,930	-806
<b>Budget Requirement</b>	<b>282,855</b>	<b>282,855</b>	<b>284,505</b>	<b>1,650</b>

- 2.2 The following paragraphs provide details of significant variances (>£50k) from the agreed budget for 2018/19, together with an explanation of the ways in which these variances are being managed.

### **Education, Leisure and Lifelong Learning**

The Directorate has a budget of £81.708m for Schools and £24.582m for other Education, Leisure and Lifelong Learning services. The ELLL budget contains savings targets of £849k (3.5%).

The main variances are:-

- **Specific Contingencies £69k underspend**

A management decision has been taken to minimise all non-essential expenditure against this budget, in order to reduce the Directorate overspend.

- **Home to School Transport £313k overspend**

The overspend is due to new routes and increased demand for transport from September 2018. The increase is partly attributable to the establishment of 2 new SENC units, and additional costs of



transporting school age children to attend the Junior Apprentice Programme at Neath Port Talbot College.

- **Post 16 Transport - £73k overspend** – the overspend is due to an increased demand for transport to Ammanford and Afan College from Sept 2018.
- **School Meals £96k overspend**  
The budget includes a savings target (ELLL715) of £100k to be achieved from implementing a new pay scale, but a delay in implementation means that the savings will not be delivered in full during 2018/19.
- **Cleaning - £51k overspend**  
The projected overspend is based on the actual costs incurred in the first three months of the year, and is due to high levels of sickness, and the associated cost of overtime to date.
- **Strategic Schools Investment Programme £67k overspend**  
The overspend is due to a one off costs of preparing a business case in support of a capital grant bid for Welsh Medium Schools in line with the 21<sup>st</sup> Century Schools Programme. The bid was successful and the Council has been awarded £3.5m to fund the scheme.
- **Out of County Placements £226k overspend**  
The overspend is due to additional children being placed in independent sector schools. Work is continuously being undertaken to ensure that all out of county placements continue to meet the needs of the children and that the costs reflect the education provision being provided.

**The Education Leisure and Lifelong Learning budget is currently projected to overspend by £777k. Work is ongoing to identify savings to reduce the projected overspend.**

### **Social Services Health & Housing**

The Directorate has a budget of £78.713m which includes savings targets of £4.550m (5.8%), and is currently projected to overspend by £1.5m.

The main variances contributing to the over spend are:-

- **Children – Social Work £106k underspend**  
The under spend is due to vacant hours/posts.

- **Children Residential Care – £447k overspend**  
 The budget was based on 7 children, while the projection is based on the current number (10), and assumes that they will remain in placement until the end of the year, or until their 18<sup>th</sup> birthday, if earlier. The average cost of a residential placement is £190k.
- **Children –Day care £59k underspend**  
 The underspend is due to a reduction in NPT's contribution to the Western Bay Integrated Family Support Service, because of vacancies within the service.
- **Children Supported accommodation £75k underspend**  
 The supported lodgings contract will expire in October 2018, and an additional provision of £75k was included in the budget to fund any increased costs arising from the re-tender exercise. Given the pressures identified across the Directorate, options are being explored to contain expenditure for this service at current cost, and therefore the additional funding provided will not be required.
- **Fostering service £93k overspend**  
 An overspend is due to payments for 2 Looked after Children in high cost supported living placement (£230k) and a projected increase in special guardianship orders (£143k), which is partly offset by savings on staff costs, route 16 discretionary payments and savings arising from a reduction in fostering placements.
- **Adoption £249k underspend**  
 The budget was based on payment of allowances for 57 children. An underspend is projected as payments are currently being made for 45 children. Further savings of £150k are anticipated in respect of the contribution made to the Western Bay Adoption service.
- **External Foster Placements £172k underspend**  
 The budget was based on 57 children, and an underspend is projected as 52 are currently in foster care.
- **Youth Offending Team £112k underspend**  
 The underspend is due to savings on staff costs.
- **Community Care – Social Work £172k underspend**  
 The underspend is due to saving on staff costs.
- **Elderly Residential Care – external provision - £422k overspend**  
 The budget includes FFP savings SSHH806/807 of £280k, which have not yet been fully achieved. Discussions are ongoing to utilise vacant short term beds in Pobl for long term residents, in order to offset this pressure.
- **Domiciliary Care - £1.351m overspend**  
 The budget includes FFP savings targets of £2.5m (SSHH 801, 802, 805, 811, 812). Savings of £700k (£500k re internal homecare

staff vacancies, and £200k due to reduction in packages of care) have been delivered, but have been offset by the cost of new packages of care. Changes in client needs and new care packages are being managed in line with total resources and on the basis of assessed need.

- **Community Resource Team - £274k underspend**  
The underspend is due to staff savings.
- **Other Community Care/direct Payments £61k overspend**  
The overspend is due to an increase in the number of direct payments for elderly service users.
- **Other community Care – WILG £119k overspend**  
The Welsh Independent Living Grant (WILG) was transferred into the settlement for 18/19, and a FFP savings target of £500k (SSHH808) was included in the budget, to be achieved by reviewing all packages of care previously funded through WILG. The remaining pressure (£119k) is because the FFP savings target has not yet been fully achieved.  
As packages are reassessed the ongoing costs are transferred from the WILG budget to the mainstream placements budget.
- **Aids & Equipment £59k overspend**  
The overspend is the NPT share of the projected overspend of the joint service. A new agreement between CCoS, NPTCBC and ABMU is currently being negotiated, in which the NPT share of costs and overspend is expected to reduce. It has not yet been confirmed when the new agreement will be agreed and implemented.
- **LD External Placements £375k overspend**  
The budget includes an FFP savings target (SSHH804) of £500k, which has not yet been achieved in full. In addition there has been an increase in the number of placements. The projection assumes that ABMU will pay agreed sums in respect of sleep in uplifts and changes to placement costs.  
Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, reducing the cost of night time support and by creating more effective models of care & support.
- **LD Day Opportunities – Employment & Training £72k underspend**  
The underspend is due to savings on staff and transport costs.
- **MH External Placements £92k overspend**  
This budget contains an FFP savings target of £100k, which has not yet been fully achieved, as a result of additional placements being made.

Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, and by creating more effective models of care & support.

- **Housing Advice/Supported Tenancies £82k underspend**  
The underspend is due to savings on staff costs.
- **Renovation Grants/ Renewal Area £86k overspend**  
The budget includes an income target (£100k) which has not yet been achieved, but which is partly offset by staff savings (£14k).

**Work will continue to be undertaken throughout the year to identify further savings from reviewing packages of care, reducing the cost of night time support and by creating more effective models of care & support, but at this stage it is projected that the Social Services Budget is overspending by circa £1.5m.**

## **Environment**

The Directorate has a budget of £35.645m which includes savings targets of £688k (1.9%).

The main variances contributing to the overspend are:-

- **Parking Strategy £80k overspend**  
The overspend is projected due to a delay in implementing increased charges which were originally planned to take effect from 1<sup>st</sup> April 2018. The overspend also includes the additional cost of replacement pay machines at Aberafan seafront.
- **Waste Disposal & Recycling £142k overspend**  
The projected overspend is due to an increase in the disposal of waste from council Operations (i.e. street sweeping, gully waste, litter) in the first 5 months of the year. This is a volatile budget and work is being done to ensure that waste arising from capital works are charged against the capital budget.
- **Household Waste Recycling Centres £68k overspend**  
The budget includes a savings target of £100k to be achieved from the closure of the Pwllfawatkin site. However the closure has been delayed by a year resulting in the overspend.
- **Planning Policy £50k overspend**  
The budget includes an FFP savings target (ENV706) of £75kre income generation from asset sponsorship. However there is concern that this target cannot be fully achieved.

**The Environment budget is projected to overspend by £390k.**

### **Corporate Services**

The Directorate has a budget of £17.471m which includes savings targets of £648K (3.7%).

There are currently no major variances (over £50k) to report. The Directorate underspend is largely due to savings on staff costs across a range of services.

**The Corporate Services Directorate is projected to under spend by £211k.**

### **Other Services**

- **Council Tax Support – underspend £546k**
- **Contingency** - It is assumed that following the virements included in this report, the remaining contingency budget of £868k will be fully committed by year end.
- **Pay & Pension – £193k underspend**
- **Management of change** – it is assumed that this provision (£500k) will be fully utilised to fund the cost of ERVR or used to replenish the reserve.
- **Miscellaneous £65k underspend** – the underspend is largely due to savings arising from the AVC salary sacrifice scheme.

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

## **3 Grants**

The following grants have been awarded since the budget was set.

<b>Value</b>	<b>Directorate</b>	<b>Service</b>
£4k	CORP	High street Relief scheme
£9k	CORP	Substance Misuse – Take home Naloxene

£6k	CORP	Substance Misuse – Bursary scheme
£9k	ELLL	Heritage Lottery Fund – Lest We Forget – to create a gallery of local heroes, and poppy tribute at Margam Park
£342k	ELLL	Early Implementation Childcare Grant
£39k	ELLL	Arts Council for Wales – to fund a feasibility study into developing a cinema at Pontardawe Arts centre
£132k	SSHH	Homelessness Prevention Grant Programme

#### 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

Value	Dir	Service
£150,000	ELLL	Education Improvement Grant
£400,000	ENVT	Waste Disposal & Recycling
-£550,000	Other	Corporate Contingency
-£200,000	ENVT	Neighbourhood Services
£200,000	ENVT	Parks & Open Spaces

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

#### 5 Reserve Movements

The following reserve movements are proposed

Amount	Specific Reserve	Explanation
£25,000	Building Capacity Reserve	Elections Administration - to fund future year pressures
£25,000	Building Capacity Reserve	Corporate Strategy - to fund future year pressures
£25,000	ICT Renewals Reserve	Transfer underspend to reserve to fund anticipated pressures in 19/20
-£19,158	ERVR reserve	Transfer from reserve to fund cost of redundancy in the Print Commissioning Unit

### Specific Reserves Summary

	£'000
<b>Opening balance on specific reserves 1/4/18</b>	<b>(38,578)</b>
Budgeted contributions (to) /from reserves	3
Additional reserve movements already approved	417
Additional reserve movements proposed this quarter	(56)
<b>Estimated closing balance on specific reserve 31/3/19</b>	<b>(38,213)</b>

Details of all the above are included in Appendix 3

### General Reserve

	£'000
<b>Opening balance on the general reserve 1/4/18</b>	<b>(19,980)</b>
Budgeted contributions (to) /from reserves	(61)
Additional reserve movements already approved	
Additional reserve movements proposed this quarter	
<b>Estimated closing balance on 31/3/19</b>	<b>(20,041)</b>

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

## 6 Forward Financial Plan Monitoring 2019/20 to 2022/23

- 6.1 The list of savings strategies included in the budget for 2018/19 are outlined in Appendix 5. Any variation to delivering the budget including the savings for 2018/19 are included in relevant narrative above.

Further work to update the FFP for 2019/20 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 grant received
- the proposed reserve movements and budget virements are recommended for approval by Cabinet.

## 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 2018/19

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 2018/19

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

Mr Hywel Jenkins – Director of Finance and Corporate Services  
☐ 01639 763251  
E-mail: h.jenkins@npt.gov.uk

Mr Huw Jones – Head of Financial Services  
☐ 01639 763575  
E-mail: h.jones@npt.gov.uk

Mrs Sue Gorman, Chief Accountant - Financial Services  
☐ 01639 763937  
E-mail: s.gorman@npt.gov.uk

## Summary 2018-19

at Quarter 2 (30th Sept)

	Original Budget 2018/19 £	Virements - Cab 23/5/18	Quarter 1	Quarter 2	Quarter 3	Revised Budget 2018/19 £	Projected Outturn 2018/19 £	Variance 2018/19 £
Education, Leisure and Lifelong Learning - Schools	81,708,000	0	0	0	0	81,708,000	81,708,000	0
Education, Leisure and Lifelong Learning - Other	23,816,000	615,970	0	150,000	0	24,581,970	25,359,273	777,303
Social Services Health & Housing	78,632,000	80,500	0	0	0	78,712,500	80,212,562	1,500,062
Environment	34,755,000	262,500	120,841	507,021	0	35,645,362	36,034,683	389,321
Corporate Services	17,433,000	38,000	0	0	0	17,471,000	17,260,262	-210,738
<b>Directly Controlled Expenditure</b>	<b>236,344,000</b>	<b>996,970</b>	<b>120,841</b>	<b>657,021</b>	<b>0</b>	<b>238,118,832</b>	<b>240,574,780</b>	<b>2,455,948</b>
Swansea Bay Port Authority	46,000					46,000	46,011	11
Fire Authority	7,288,000					7,288,000	7,287,654	-346
Margam Crematorium	1,000					1,000	559	-441
Archives	91,000					91,000	91,700	700
Magistrates Court	13,000					13,000	11,006	-1,994
Capital Financing	18,573,000					18,573,000	18,573,000	0
Council Tax Support	17,841,000					17,841,000	17,294,843	-546,157
Contingency	989,000		-120,841	-657,021		211,138	211,138	0
Pay & Pensions Provision	1,190,000	-996,970				193,030	0	-193,030
Management of change	500,000					500,000	500,000	0
Miscellaneous						0	-64,980	-64,980
Cont. from Fire Authority Reserve	-21,000					-21,000	-21,000	0
<b>Net Budget Requirement</b>	<b>282,855,000</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>282,855,000</b>	<b>284,504,711</b>	<b>1,649,711</b>
RSG	166,732,844					-166,732,844	-166,732,844	0
NNDR	-45,607,965					-45,607,965	-45,607,965	0
Discretionary rate relief	216,432					216,432	216,432	0
Council Tax	-70,730,623					-70,730,623	-70,730,623	0
<b>Total Funding</b>	<b>282,855,000</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>-282,855,000</b>	<b>-282,855,000</b>	<b>0</b>

**Virements Agreed by Corporate Directors – during Quarter 2**

<b><u>Value</u></b>	<b><u>Directorate</u></b>	<b><u>Service</u></b>
11,509	ENVT	Highways Maintenance - Reactive, Winter & Emergency Response - re Pantteg
-3,990	ENVT	School Crossing Patrol - vacancy mgmt.
-30,000	ENVT	Estates- re-alignment pasta
26,828	ENVT	Regeneration & Strategic Development - vacancy mgmt./photocopying
10,000	ENVT	Markets - maintenance
-10,000	ENVT	Non Operational Land - markets maintenance
34,860	ENVT	Management Support - vacancy mgmt.
-26,449	ENVT	Support Services - vacancy mgmt./photocopying
-1,000	ENVT	Planning Development control - photocopying
-1,000	ENVT	Policy - photocopying
-1,000	ENVT	Trading standards - photocopying
3,500	ENVT	Building Control - photocopying
-500	ENVT	Pollution Control services - photocopying
-1,249	ENVT	Business Support & Research - vacancy mgmt.
-82,169	CORP	Procurement
82,169	CORP	Legal
-11,509	CORP	Contingency - Pantteg
-19,481	ELLL	Children & young People Partnership
19,481	ELLL	Playschemes
68,512	ENVT	Highways Maintenance - Reactive, winter Maintenance & emergency Response - re Pantteg
-6,059	ENVT	Road Safety
-15,000	ENVT	Neighbourhood services
-11,738	ENVT	Parks & Open spaces
20,000	ENVT	Gypsy sites
-20,000	ENVT	Non Operational Land
6,059	ENVT	Management Support
-22,000	ENVT	Environmental Health
22,000	ENVT	Building Control
26,738	ENVT	Cemeteries
19,000	CORP	Accountancy Technical - Corp & Risk Management

<u>Value</u>	<u>Directorate</u>	<u>Service</u>
-19,000	CORP	Accountancy Capital /Systems/Projects
-100,000	CORP	Housing Benefits Administration
100,000	CORP	Contribution from Corporate Equalisation Reserve
11,480	SSHH	Children - Social Work
28,970	SSHH	Community Care Social Work
-16,450	SSHH	Other Community Care - WILG
16,450	SSHH	Learning Disability External Placements
-40,450	SSHH	Community Mental Health Team
27,000	ENVT	Highways Maintenance - Reactive, Winter & Emergency Response
12,720	ENVT	Management Support
-12,720	ENVT	Tourism
-27,000	Other	Corporate Contingency

## SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/18	2018/19 Budgeted Cont. to reserve	2018/19 Budgeted Cont from reserve	Changes already agreed	Changes proposed in Period	Estimated Reserve Balance at 31/3/19
	£'000	£'000	£'000	£'000	£'000	£'000
<b>EDUCATION, LEISURE &amp; LIFELONG LEARNING</b>						
<i>Delegated Schools Reserves</i>						
ER Reserve Primary	-19	-1	0	0	0	-20
Primary Schools Reserve A/C	-2,433	0	0	0	0	-2,433
Secondary Schools Reserve A/C	-274	0	0	0	0	-274
Special Schools Reserve A/c	-161	0	0	0	0	-161
Repair and Maintenance Reserve	-161	0	0	0	0	-161
	<b>-3,048</b>	<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,049</b>
<i>Education, Leisure and Lifelong Learning</i>						
Education Equalisation Reserve	-96	0	0	52	0	-44
Home to School Transport	-60	0	60	0	0	0
	<b>-156</b>	<b>0</b>	<b>60</b>	<b>52</b>	<b>0</b>	<b>-44</b>
<b>Total Education Leisure &amp; Lifelong Learning</b>	<b>-3,204</b>	<b>-1</b>	<b>60</b>	<b>52</b>	<b>0</b>	<b>-3,093</b>
<b>SOCIAL SERVICES, HEALTH &amp; HOUSING</b>						
Homecare ECM Equipment Reserve	-53	-10	0	0	0	-63
Community Care Transformation Reserve	-108	0	0	0	0	-108
Social Services Equalisation	-540	0	0	0	0	-540
Hillside General Reserve	-1,687	-143	238	0	0	-1,592
Youth Offending Team - Equalization	-153	0	0	0	0	-153
Adoption service	-100	0	0	0	0	-100
<b>Total Social Services, Health and Housing</b>	<b>-2,641</b>	<b>-153</b>	<b>238</b>	<b>0</b>	<b>0</b>	<b>-2,556</b>

## SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/18	2018/19 Budgeted Cont. to reserve	2018/19 Budgeted Cont from reserve	Changes already agreed	Changes proposed in Period	Estimated Reserve Balance at 31/3/19
	£'000	£'000	£'000	£'000	£'000	£'000
<b>ENVIRONMENT</b>						
<i>Directorate</i>						
Concessionary Fare - Bus Pass Replacement Reserve	-152	0	0	0	0	-152
Asset Recovery Incentive Scheme	-126	0	0	0	0	-126
Local Development Plan	-142	0	0	0	0	-142
Economic Development	-40	-200	200	0	0	-40
Winter Maintenance Reserve	-764	0	0	0	0	-764
Baglan Bay innovation dilapidation reserve	-78	0	0	0	0	-78
Environment Equalization Reserve	-353	0	0	0	0	-353
BSSG Grant	-128	0	0	128	0	0
Renewable energy	-4	0	0	0	0	-4
Environmental Health - housing equalisation	-20	0	0	0	0	-20
Operating Account -Equalisation	-36	0	0	0	0	-36
Vehicle Tracking	-92	0	0	0	0	-92
Operating Accounts -Vehicle Renewals	-1,465	-1,063	0	0	0	-2,528
<b>Total Environment</b>	<b>-3,399</b>	<b>-1,263</b>	<b>200</b>	<b>128</b>	<b>0</b>	<b>-4,334</b>
<b>FINANCE /CHIEF EXEC</b>						
Elections Equalisation Fund	-202	-15	0	0	0	-217
Health & Safety/Occupational Health	-94	0	54	0	0	-41
Development Fund for Modernisation	-110	-5	0	0	0	-115
IT Renewals Fund	-1,495	0	421	0	-25	-1,098
Corporate Services Equalisation Reserve	-662	0	424	0	0	-238
Building Capacity	-80	0	0	0	-50	-130
Voluntary Organisation Reserve	-23	0	10	0	0	-13
<b>Total Finance /Chief Exec</b>	<b>-2,666</b>	<b>-20</b>	<b>909</b>	<b>0</b>	<b>-75</b>	<b>-1,853</b>

## SCHEDULE OF SPECIFIC RESERVES

Description	Updated Reserve Balance at 1/4/18	2018/19 Budgeted Cont. to reserve	2018/19 Budgeted Cont from reserve	Changes already agreed	Changes proposed in Period	Estimated Reserve Balance at 31/3/19
	£'000	£'000	£'000	£'000	£'000	£'000
<b>CORPORATE RESERVES</b>						
Insurance-Claims Reserve	-6,618	-280	280	0	0	-6,618
Income Generation Project Reserve	-750	0	34	0	0	-716
Members Community Fund Reserve	-672	0	0	0	0	-672
Community Resilience Fund	-2,000	0	0	0	0	-2,000
Housing Warranties	-220	0	0	0	0	-220
Fire Authority Reserve	-31	0	0	0	0	-31
Pantteg Landslip Reserve	-500	0	0	0	0	-500
Waste Reserve	-393	0	0	0	0	-393
LAWDC Contingency Reserve	-971	0	0	0	0	-971
Treasury Management Equalisation Reserve	-5,755	0	0	0	0	-5,755
ER/VR - Transitional Reserve	-6,074	0	0	26	19	-6,029
Accommodation Strategy	-2,484	-50	50	210	0	-2,274
<b>Total Corporate Reserves</b>	<b>-26,468</b>	<b>-330</b>	<b>364</b>	<b>236</b>	<b>19</b>	<b>-26,179</b>
<b>JOINT COMMITTEE RESERVES</b>						
Environment Legacy Reserve (SWTRA)	-60	0	0	0	0	-60
WB Safeguarding Board Reserve	-99	0	0	0	0	-99
Substance Misuse Joint Committee	-27	0	0	0	0	-27
Intermediate Care Pooled Fund Reserve	-14	0	0	0	0	-14
	<b>-199</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-199</b>
<b>TOTAL ALL REVENUE RESERVES</b>	<b>-38,578</b>	<b>-1,768</b>	<b>1,771</b>	<b>417</b>	<b>-56</b>	<b>-38,213</b>

	<b>Original Estimate 2018/19</b>	<b>Revised Estimate 2018/19</b>	<b>Difference 2018/19</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Opening balance 1st April</b>	<b>Cr 20,613</b>	<b>Cr 19,980</b>	<b>633</b>
Council Tax increased income	Cr 1,000	Cr 1,000	0
Capital - Phase II Accommodation financing costs	340	340	0
Doubtful Debt Provision	200	200	0
Contributions to the Economic Development Fund	200	200	0
Community Councils Grant Scheme	25	25	0
Pantteg landslip - media support	40	40	0
NPT Works contract termination	135	135	0
Contribution from /to revenue	0	0	0
<b>Estimated Closing balance 31st March</b>	<b>Cr 20,673</b>	<b>Cr 20,041</b>	<b>633</b>



### Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
ELLL704	ES&C	Out of county placements	Andrew Thomas	No major impact, pupils will have reached school leaving age. Also savings in special school transport costs	213	72
ELLL707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	Further reduction in funding to theatres, possibly a reduction in opening times. Investigating other income generation opportunities to compensate for reduced subsidy.	40	40
ELLL708	ES&C	Gwyn Hall -Reduce Subsidy	Andrew Thomas	More efficient management of Celtic Leisure contract.	40	40
ELLL712	ES&C	Reduction in management costs.	Andrew Thomas	Full year impact of 2017/18 decision	19	0
ELLL714	ES&C	Disability Sport - Withdraw match support for Disability Sports Coordinator's post	Chris Millis	Full year effect of 2017/18 decision. No decrease in provision as grant terms and conditions met.	15	0
ELLL715	ES&C	School Catering - Implementation of the review recommendations	Chris Millis	Savings from implementing new pay scale	100	0
ELLL801	ES&C	Re-negotiate current contract to deliver outdoor education at the Discovery Centre, Margam Park.	Andrew Thomas	Likely increased cost for NPT pupils - more in line with what other users pay. Every effort will be made to protect financially disadvantaged pupils from price increases.	0	250
ELLL802	ES&C	Celtic Leisure Contract - negotiate a reduction in subsidy	Andrew Thomas	More efficient management of Celtic Leisure contract.	50	100

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### Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
ELLL803	ES&C	Youth Service - secure 5% efficiencies on core budget	Chris Millis	Reduced provision, resulting in less capacity to support young people. Aim to target more strategic activity	25	0
ELLL804	ES&C	School meals	Chris Millis	Savings identified as a direct result of the reduction in the number of schools	50	0
ELLL805	ES&C	Music - set 10% efficiency target	Chris Millis	Reduced access to music provision across the County Borough.	17	0
ELLL806	ES&C	Cut ERW additional funding	Chris Millis	Cease annual contribution to ERW and reduce core funding on the basis there are now far fewer schools in NPT	80	0
ELLL807	ES&C	School cleaning - full cost recovery	Chris Millis	Increase current costs to primary and special schools. Possible risk of outsourcing.	70	0
ELLL808	ES&C	Margam Park - market test with a view to appoint an operator for the catering functions.	Andrew Thomas	No impact to service users. Possible TUPE issues for staff for the very small number of staff who may be affected	0	75
ELLL809	ES&C	Inclusion services - efficiency savings	Andrew Thomas	Further review of all areas of expenditure to secure efficiencies, e.g. vacancy management, out of county placements of pupils, maximising income	50	0
ELLL810	ES&C	Cefn Coed Museum - reduce subsidy	Chris Millis	Consult and work with Friends of Cefn Coed Museum to identify income generation opportunities and volunteer contributions.	5	5
ELLL811	ES&C	Home to School Transport - 1% savings target	Chris Millis	Home to school transport route re-tender savings.	50	0

**Budget Saving Strategies**

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
ELLL812	ES&C	Children and Young People - 5% efficiency on core budget costs	Chris Millis	Reduced provision, resulting in less capacity to support young people.	25	0
SSHH801	SCHWB	Direct Payments	Andrew Jarrett/ Angela Thomas	The Social Services and Wellbeing Act 2014 requires Councils to promote Direct Payments (DP). Social Workers will actively promote DP's to offer choice and control over the services they require. Savings will be made against the total placements budget.	950	0
SSHH802	SCHWB	Asset Based Approach	Andrew Jarrett	The asset based approach is a successful strategy for reducing costs of social care by diverting demand and avoiding costs by earlier intervention & prevention; in addition to the very successful early intervention that already goes on. This means identifying sources of community provision which will meet people's needs in different ways. Savings will be made against the total adult placements budgets	685	0
SSHH803	SCHWB	Children's Services	Keri Warren	Savings will be made against the total children placements budget and will encompass a focus on ensuring that children who can live at home do so, and those that cannot are provided with stability in care.	500	0

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### Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
SSHH804	SCHWB	Learning Disabilities reconfiguration	Angela Thomas	Review of Independent Living packages of care, with a planned approach to re-assessing people's needs, to enable individuals to be as independent as possible. Explore how the use of assistive technology can support people in different ways, especially during the night. Work with the whole sector to create more effective models of care/support and promote greater independence. Savings will be made against the Learning disability placement budget	500	0
SSHH805	SCHWB	Review of domiciliary care packages of care	Angela Thomas	Carry out reviews for packages of independent sector domiciliary care within the community to ensure that people are supported to achieve greater independence and are not being over supported.	85	0
SSHH806	SCHWB	Maximise usage of block booked residential care beds	Angela Thomas	Ensure the utilisation for the block contracted beds are maximised to the 80% contracted amount with the service provider - POBL. Manage the allocations into Pobl beds from a central point to ensure full occupancy, savings based on a reduction of independent sector placements due to maximising contracted beds. Savings will be made against the elderly residential care budget.	200	0

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**Budget Saving Strategies**

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
SSHH807	SCHWB	Reconfigure assessment & reablement beds within block contract	Angela Thomas	Review the use of assessment and reablement beds, convert a proportion of the capacity to long terms beds to maximise utilisation. Savings will be made by better use of the elderly residential care budget	80	0
SSHH808	SCHWB	Welsh Independent Living Grant (WILG) Service Reviews	Angela Thomas	Review of all placements receiving WILG funding to create greater independence. Savings will be made against the WILG budget.	500	0
SSHH809	SCHWB	Beaufort House	Angela Thomas	Reopen Beaufort house as a homeless hostel to increase homelessness provision in the Borough.	150	0
SSHH810	SCHWB	Mental Health placements	Angela Thomas / Beverly Cannon	Carry out a review of people's needs, within mental health residential services, to support people to access community based support and achieve greater independence. Savings will be made against the mental health placements budget.	100	0
SSHH811	SCHWB	Double handling programme	Angela Thomas	Occupational Therapists to carry out a review of people receiving double handling care calls from the external homecare sector. Creating greater independence, with the right support and equipment. Savings will be achieved in the external domiciliary care service.	300	0

Tudalen29

### Budget Saving Strategies

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
SSHH812	SCHWB	Internal homecare review	Andrew Jarrett/ Angela Thomas	Carry out an in-depth review of the current homecare provision to explore the optimum operating model. Retain complex, reablement and rapid response elements, and explore ways to commission generic homecare from the independent sector. Savings will be achieved by deleting vacant post and reducing the flexible cover budget.	500	0
ENV706	CS&PP	Asset Sponsorship	Nicola Pearce	Income generation	75	0
ENV801	S&E	Car Parking	Dave Griffiths	Alignment and increase in charges. Retention of 1 hour free parking in Pontardawe. Introduction of mobile CCTV camera van enforcement with focus on dangerous parking outside schools and bus bays.	175	0
ENV802	S&E	Waste Disposal Procurement	Michael Roberts	Subject to the outcome of procurement	200	0
ENV803	S&E	Household Waste Recycling Centres	Michael Roberts	Alternative service delivery in the Upper Swansea Valley, but extend current service contract at Pwllfawtkin for 2018/19.	100	0
ENV804	all	Staff redundancies /deletion of posts	All	Reduced staff capacity	30	0
ENV805	CS&PP	Planning	Nicola Pearce	Reduced staff	30	0
ENV806	R&SD	Crynant Business Centre	Simon Brennan	Increase rentals	18	0
ENV807	S&E	Gnoll Country Park	Michael Roberts	Increase in charges including car parking	30	0

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**Budget Saving Strategies**

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
ENV808	S&E	Survey Team	Michael Roberts	Service Review to ensure all costs are recovered from clients	30	0
CORP576	CAB	Introduce revised access to service policy across council	Karen Jones	Implement the digital by choice strategy, moving more customers to self-serve options thus reducing the volume of telephone and face to face enquiries.	0	36
CORP577	CAB	CCTV - cost savings	Karen Jones	Savings at the end of the current CCTV Maintenance contract period.	0	30
CORP604	CAB	Occupational Health - reduce professional fees budget	Sheenagh Rees	Full year impact of savings from introducing Occupational Health on line referral system and the referral hotline number.	10	0
CORP702	CAB	Staff reductions	S John	Development capacity will fall and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues. A number of posts are funded from reserves which will be exhausted by March 2020	200	100
CORP705	CAB	Human Resources - occupational health, health & safety	Sheenagh Rees	Delete partial hours where post holders have reduced their working hours.	15	0
CORP801	CAB	Financial Services - Staff reductions in various teams across the Finance Division	Huw Jones	These reductions will require re-structuring of the relevant sections which may impact on performance levels. It is expected that the staff reduction should be achieved via ER/VR.	163	95
CORP802	CAB	Financial Services - Non staff savings	Huw Jones	Further pressure to reduce spend on non staff expenditure heads.	15	0

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**Budget Saving Strategies**

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
CORP803	CAB	Legal services	Craig Griffiths	Staff savings	32	0
CORP804	CAB	Land charges	Craig Griffiths	Staff savings	27	0
CORP805	CAB	Legal Services - corporate support services	Craig Griffiths	Staff savings	13	0
CORP806	CAB	Health & safety - Staff reductions	Sheenagh Rees	Reductions in capacity to manage health and safety of projects and staff.	15	0
CORP807	CAB	HR - Staff reductions	Sheenagh Rees	Reduce capacity to respond to statutory data returns, implement personnel committee reports, data cleansing, resulting in delays in response to queries, compilation of FOI requests.	34	0
CORP808	CAB	Training	Sheenagh Rees	Non staff savings	2	0
CORP809	CAB	Corporate Services	Hywel Jenkins	Reduction in staff costs	30	0
CORP810	CAB	Community Safety	Karen Jones	Staff savings	8	0
CORP811	CAB	Community Safety	Karen Jones	Non staff savings	2	0
CORP812	CAB	Democratic services	Karen Jones	Transport savings	19	0
CORP813	CAB	Democratic services	Karen Jones	Staff savings	17	0
CORP814	CAB	Democratic services	Karen Jones	Non staff costs	3	0

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**Budget Saving Strategies**

Ref	Board	Description	Lead	Main Impacts	2018/19 £000	2019/20 £000
CORP815	CAB	Corporate strategy	Karen Jones	Increase income	23	0
CORP816	CAB	Corporate strategy	Karen Jones	Non staff savings	2	0
CORP817	CAB	One stop shop	Karen Jones	Staff savings	9	0
CORP818	CAB	One stop shop and contact Centre	Karen Jones	Non staff savings	7	0
CORP819	CAB	Communications	Karen Jones	Non staff savings	2	0
OTH801	CAB	Margam Crematorium	Hywel Jenkins	Contribution from Joint Committee	55	0
		Total			6,790	843

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Mae'r dudalen hon yn fwiadol wag

## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

### REPORT OF THE HEAD OF FINANCE

31<sup>st</sup> October 2018

#### SECTION A – MATTERS FOR DECISION

#### WARDS AFFECTED – ALL

#### CAPITAL BUDGET MONITORING 2018/19

##### **Purpose of Report**

1. To provide Members with information in relation to delivery of the 2018/19 Capital Programme.

##### **Background**

2. On 21<sup>st</sup> February 2018 Council approved its Capital Programme for 2018/19; the report detailed planned Capital Expenditure totalling £43.608m for the financial year.

On 2<sup>nd</sup> August 2018 Council approved the current Capital Budget as at 30<sup>th</sup> June 2018, the report detailed planned Capital Expenditure totalling £41.048m for the financial year.

The purpose of this report is to update Members as to the delivery of this Programme as at 30<sup>th</sup> September 2018 and to seek approval for a further updated budget position.

##### **Targeted Achievements**

3. As Members are aware the following achievements are being targeted during this financial year:
  - Completion of the Council's Band A 21<sup>st</sup> Century Schools programme with the following due to open during 2018:
    - Ysgol Cwm Brombil - a new 3-16 School in Margam to replace the Lower and Upper sites of Dyffryn Comprehensive as well as Groes Primary School.

- Ysgol Gymraeg Ystalyfera (Bro Dur) – A new primary school on the site of the North Campus and a 11-16, provision on the South Campus, on the site of the former Sandfields Comprehensive School. This opened at the beginning of September 2018 ready for the new school term.
  - Ysgol Carreg Hir- a new primary school in Briton Ferry, on the site of the former Cwrt Sart Comprehensive School. The project will see three primary schools (Brynhyfryd, Llansawel and Ynysmaerdy) with significant surplus capacity and backlog maintenance close. This school opened at the beginning of September 2018 ready for the new school term.
- Major bridge strengthening work is ongoing with work due to start on the A474 bridge between the A465 Saltings roundabout and the Neath Abbey Court Herbert roundabout.
  - County Borough regeneration including the next phase of the Neath Town Centre redevelopment.
  - Further investment of £3m into Disabled Facility Grants to assist people to live at home and investment of over £3m in Schools Capital Maintenance and Highways and Engineering Maintenance improvements.

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

4. The updated Capital Programme now totals £47.721m with the main changes proposed being:
  - A budget of £1.932m for Port Talbot Magistrates Court – the building is being refurbished through the Welsh Government Building for the Future programme. The refurbishment will result in 1,054 m<sup>2</sup> of office floor space which will be let at market rate to businesses.
  - A £2.2m budget has been included in 2018/19 in relation to the Crown Building, Neath.

- A budget of £1.048m has been included for regeneration schemes in Port Talbot such as the redevelopment of the Plaza Cinema, and Green Park Riverside phase 2
- A £650k budget for Commercial/Property Enhancements and Heritage Works throughout the county borough has been included
- A £429k budget has been included for redevelopment work at Margam Park Turbine House, along with drainage works in the park.
- A £540k budget has been added as an Active Travel Fund. This looks at cycle path development/improvements across the county borough.

### 2018/19 Capital Expenditure

5. Details of Capital Expenditure as at 30<sup>th</sup> September 2018 is outlined in the table below:

**Table 1 – Capital Budget and Spend 2018/19**

	<b>Current Budget £'000</b>	<b>Proposed Budget £'000</b>	<b>Actual @ 30<sup>th</sup> Sept 2018</b>
Ysgol Cwm Brombil	12,946	12,946	7,230
Ysgol Gymraeg Ystalyfera (Bro Dur) – North Campus 11-16	685	555	881
Ysgol Gymraeg Ystalyfera (Bro Dur) – South Campus 11-16	5,017	5,147	4,500
Ysgol Carreg Hir	3,003	3,048	3,242
Schools Capital Maintenance	1,100	1,100	93
Highways and Engineering Maintenance	2,347	2,411	1,468
Highways Infrastructure Investment	769	769	797
Street Lighting Replacement	422	422	92
A474 Vale of Neath Bridge	350	447	3
Flood and Coastal Risk Projects	118	118	58
Cwmafan Emergency Landslip work	700	700	579
Health and Safety	850	850	301
Road Safety Grant – Accident Reduction Measures	468	468	28
Safe Routes in Communities	185	185	23

Local Transport Network Improvements	445	810	270
Recycling Initiatives	1,300	1,300	342
Vehicle Replacement Programme	1,463	1,529	84
Regeneration - Neath Town Centre Redevelopment	2,000	900	135
Regeneration - Port Talbot Magistrates Court	0	1,932	126
Regeneration - Crown Building	0	2,200	0
Regeneration – Port Talbot	0	1,048	321
Commercial/Property/Heritage Regeneration projects	0	650	7
Margam Park – Drainage/Turbine House	0	429	54
Harbourside Strategic Employment Site	120	266	81
Social Services Capital Maintenance	447	150	126
Disabled Facilities Grants	3,000	3,000	1,238
Schools and Fleet – Asset Financing	640	640	302
Housing Energy Efficiency Works	206	206	0
Active Travel Fund	0	540	0
Contingency	154	528	
Remaining Capital Programme	2,313	2,427	1,206
<b>Total</b>	<b>41,048</b>	<b>47,721</b>	<b>23,587</b>

## 6. Financial Appraisal

The Capital Programme as set out in this report can be funded via the use of several resources including capital grant, reserves and borrowing.

### Risk Management

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

### Consultation

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

## 9. **Equality Impact Assessment**

This report does not require an Equality Impact Assessment.

### **Recommendations**

#### 10. Cabinet commends to Council:

- The approval of the proposed 2018/19 budget totalling £47.721m.
- And note the position in relation to expenditure as at 30<sup>th</sup> September 2018.

### **Reason for proposed decisions**

11. To update the capital programme for 2018/19 and inform Members of the current year spend to date.

### **Implementation of Decision**

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

### **List of Background Papers**

13. Capital Programme working files

### **Officer Contact**

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

Mr Huw Jones – Head of Finance

Tel: 01639 763575; E-mail: [h.jones@npt.gov.uk](mailto:h.jones@npt.gov.uk)

Mr Ross Livingstone – Group Accountant - Capital and Corporate

Tel: 01639 763624; E-mail: [r.livingstone@npt.gov.uk](mailto:r.livingstone@npt.gov.uk)

Mae'r dudalen hon yn fwriadol wag



## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

#### REPORT OF CORPORATE DIRECTORS GROUP

31 OCTOBER 2018

#### SECTION A – MATTER FOR DECISION

**WARDS AFFECTED: ALL**

#### **DRAFT BUDGET FOR CONSULTATION 2019/20**

##### **1. Purpose of Report**

To seek Member approval to consult on draft budget proposals, financial savings, service reductions and income generation for 2019/20 and beyond.

To confirm that consultation will take place to the 11<sup>th</sup> January 2019 prior to reviewing responses and setting a balanced budget for 2019/20 during February 2019.

##### **2. Executive Summary**

Today's report does not seek final decisions from Members on priorities or on where financial savings should be made. The aim of this report is to seek approval to go out to consultation and listen to the views of our County Borough citizens and stakeholders in relation to the issues set out in this report. Final decisions on setting the Council's 2019/20 Budget will be required to be taken in February 2019, following the end of public consultation and receipt of the Welsh Government's Final Local Government Settlement.

On the 9<sup>th</sup> October 2018 The Welsh Government (WG) published details of the Provisional Local Government Settlement for 2019/20. The settlement shows that the Welsh Government is providing £4.214bn of funding to Local Government. However this is £12m or -0.3% less in comparison with the current year. Neath Port Talbot

Council's share at £213.406m is 4<sup>th</sup> best in Wales and shows an increase of 0.2%.

Details of the All Wales funding provided for 2019/20 via specific grants have only just been announced on 23 October 2018. These total £699m compared with £804m in the current year. WG have not announced the total amount available for 12 of the grants which total £132m (including Sixth Form £93m, Sustainable Waste £18m, Education Raising Standards £10m and Pioneer Schools £7m). Details of the specific amounts per Council have not yet been announced. When pay awards, inflation and other budget pressures are taken into account this results in a funding gap for 2019/20 of £12.262m. This report sets out the draft proposals for consultation on how to close that gap, including the use of £4.2m of reserves.

Members should note that the Chancellor's Autumn Budget Statement is due on 29 October with the Welsh Government's Final Settlement expected on 19 December 2018.

As a consequence of the UK Government Spending Review announcement due in 2019 the Welsh Government has only provided revenue budget information for 2019/20 with capital budget details for the next 2 years. The 4 year Forward Financial Plan to 31<sup>st</sup> March 2023 shows a projected funding gap of £64m and a further report on reviewing options to close this longer term gap will be discussed with Members in mid-2019.

### **3. Background**

Neath Port Talbot Council's net revenue budget 2018/19 amounts to £282.855m and together with grants and income from services results in a gross budget of £424m which is invested in Council services across the County Borough. The Council also invests annually some £50m through its capital programme.

There is a statutory duty for the Council to set a balanced budget each financial year. Prior to setting the budget the Council has a duty to consult stakeholders on changes to the Budget. One of the objectives of this report is to set out the projected funding gap for the next 4 years to 2022/23. In February 2018, when setting the Council's Budget for the current year, it was noted that the Council had delivered £83m of savings since 2010 but there remained a projected funding gap of £58m over the next 4 years to 31 March

2023. Further work earlier this year updated the predicted gap to £16m for 2019/20 and to over £64m for the next 4 years (as reported by the Chief Executive in his report to Cabinet of 8<sup>th</sup> September 2018). This report updates that projected funding gap to 31 March 2023.

Having reviewed pressures, inflation and pay awards provision the forward Financial Plan Gap was updated in July 2018 as follows:

**Projected Funding Gap @ July 2018 (as reported to Cabinet on 8 September 2018)**

Service area	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
Budget Gap Before Directorate Savings	16,151	17,077	15,395	16,118
<b>Cumulative Gap</b>	<b>16,151</b>	<b>33,228</b>	<b>48,623</b>	<b>64,741</b>
FFP Savings	-843	0	0	0
Budget Gap @ July 2018	15,308	17,077	15,395	16,118
<b>Cumulative Gap @ July 2018</b>	<b>15,308</b>	<b>32,385</b>	<b>47,780</b>	<b>63,898</b>

The Welsh Government's 2019/20 Draft Budget published on 2<sup>nd</sup> October 2018 continues to prioritise and provide additional funding of some £500m or +7% to the Health Service for next year. It is likely that the Welsh Government will continue to prioritise Health funding for the next 4 years and more and this will be at the expense of Local Government and other service areas. Hence we are likely to continue to receive further cuts in funding over the next few years.

**4. Council Priorities 2018 – 2023**

The Council's Corporate Plan for 2018-2023 sets out the Council's strategic objectives and priorities for this administration period.

The setting of these strategic objectives - the Council's well-being objectives - fulfil the requirement under s3 (2)(a) of the Well-being of Future Generations (Wales) Act 2015.

The Council's three well-being objectives are:

**Well-being Objective 1**

To improve the well-being of children and young people - "All of our children and young people have the best start in life, so they can be the best they can be".

**Well-being Objective 2**

To improve the well-being of all adults who live in the county borough - "Everyone participates fully in community life – socially and economically".

**Well-being Objective 3**

To develop the local economy and environment so that the well-being of people can be improved - "Neath, Port Talbot and Pontardawe will be a vibrant and healthy place to live, work and enjoy recreational time".

Supporting each of the above well-being objectives are improvement priorities which fulfil different legal requirements set out in (s3(1)) of the Local Government (Wales) Measure 2009.

When setting the well-being objectives and priorities we analysed how they contribute to the seven national well-being goals that the Welsh Government requires all public bodies in Wales to contribute to.

**5. Current Budget 2018/19**

Neath Port Talbot Council approved its 2018/19 budget on the 21<sup>st</sup> February 2018 and finalised council tax setting at the meeting of 28<sup>th</sup> February 2018. The medium term budget forecast, at that time, assumed a 2% reduction in Welsh Government funding for each year from 2019/20. The forecast showed the need to identify savings solutions of circa £58m over the next 4 financial years.

The following table summarises Council Funding and Net Budget for 2018/19.

<b>Funding 2018/19</b>	<b>Budget £m</b>	<b>Budget %</b>
Revenue Support Grant	£166.733	58.95%
National Non Domestic Rates	£45.608	16.12%
Discretionary Rates Relief	-£0.216	-0.08%
Council Tax	£70.730	25.01%
<b>Total Income</b>	<b>£282.855</b>	<b>100.00%</b>

<b>Net Budget 2018/19</b>	<b>Budget £m</b>	<b>Budget %</b>
Education, Leisure & Lifelong Learning (including Schools at £81.7m)	£105.524	37.31%
Social Services, Health & Housing	£78.632	27.80%
Environment	£34.755	12.29%
Finance & Corporate Services	£17.433	6.16%
Fire Authority	£7.288	2.58%
Capital Financing	£18.573	6.56%
Council Tax Support	£17.841	6.31%
Other including Contingency	£2.809	0.99%
<b>Budget Requirement</b>	<b>£282.855</b>	<b>100.00%</b>

The Council's budget for 2018/19 is 5.01% or £13.490m above the Standard Spending Assessment (SSA) of £269.365m, which is the Welsh Government's assessment of the need to spend

## 6. Provisional Local Government Settlement

The Cabinet Secretary for Finance and Local Government published the Welsh Government's Provisional Local Government Settlement on 9<sup>th</sup> October 2018.

The headlines are that for 2019/20 the Welsh Government will provide funding of £4.214bn to run local authority services across Wales. This represents an average reduction of -0.3% and is inclusive of new funding provision of £7m for new responsibilities around Free School Meals, £13.7m for Teachers Pay above 1% and £20m for Social Services. The settlement continues to include

the £244m for Council Tax Reductions Scheme (CTRS) support for another year. The arrangements for 2020/21 onwards will be determined as part of wider considerations about how to make council tax fairer. However, as Members are aware, these amounts are included in the funding totals that show an overall reduction of -0.3%.

The Cabinet Secretary also confirmed that he has provided £2.5m to 5 Councils as “floor protection” to ensure that no Authority is faced with more than a -1% cut in their 2019/20 funding. He also advised that he was only providing budget information for one year as WG is awaiting the outcome of their budget entitlement following the UK Government’s Spending Review due during 2019.

The Neath Port Talbot Council share of the total funds available amounts to £213.406m. This is a slight increase at +0.2% on the current year and is the 4<sup>th</sup> best settlement in Wales.

For the current year (2018/19) WG transferred a number of specific grants totalling £91m into the settlement. This was welcomed last year by all Councils but there have been no new transfers in for 2019/20 this is disappointing.

On the 23<sup>rd</sup> October the Welsh Government published further information on Specific Grants. Details of the announcement are shown at Appendix 4. The schedule shows that the amount of Specific Grants total £699m with further grants to be confirmed. Members should note that in the current year grants total circa £804m. A number of specific grants are still to be confirmed including Sixth Form Education £92.9m, Adult Community Learning £4.3m, Raising School Standards £10m, Pioneer Schools £7.1m, Sustainable Waste Grant £18.2m.

Members will note the following points in relation to individual grants:

- After the initial withdrawal of grant for the current year the Welsh Government has agreed to continue to provide £8.7m in 2019/20 for the Minority Ethnic and Gypsy, Roma and Traveller learners. The majority of this grant goes to the 4 Regional Authorities with only £85k expected by this Council. Currently the WG financial commitment ends on 31<sup>st</sup> March 2020.

- An additional £30m is provided for Social Care and £15m for Education but it is unclear as to how these can be accessed and their terms and conditions.
- The £600k made available in the current year continues to be available in 2019/20 to eliminate charging for child burials and child cremations.
- Further clarification of the changes and conditions for all grants is being sought from the Welsh Government and consequential impacts will be evaluated and reported to members.

The Cabinet Secretary also stated that prior to the final settlement that WG will decide on any further increases to the capital limit that service users can retain prior to contributing towards their residential care costs. The current limit is £40,000 and this is committed to increase to £50,000 during the lifetime of this Assembly.

### **Provisional Capital Settlement**

The Cabinet Secretary also published the Provisional Capital Settlement for 2019-20 and 2020-21. He confirmed that the total amount of general capital allocation for Councils will remain at £142.837m for the next two years. He also confirmed that Councils will be able to bid for further capital funding against a total pot of £500m, which is inclusive of an additional £20m per annum for Public Highways Refurbishment. The Council's capital programme will be developed over the next few months and presented to Members for approval in February 2019.

## **7. Budget and FFP Gap 2019/20 to 2022/23**

Attached at Appendix 3 is a schedule of the inflation, pay awards and other factors used to prepare the Draft Budget. Given the recent increases in the reported Retail Price and Consumer Price Indices together with pay award requests from Trade Unions the budget provides for increases of 2% across all years. It also assumes that the Welsh Government funding will continue to reduce from 2020/21 by 2% per annum. Attached at Appendix 2 is a list of pressures that have been built into the draft budget which total over £8.3m.

These provisions result in a budget funding gap in 2019/20 of £12.262m and over £64m over the next 4 years. The following table summarises the latest position:

### Updated FFP Gap October 2018

	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
Budget Gap Before Directorate Savings	12,262	20,558	15,481	16,299
<b>Cumulative Gap</b>	<b>12,262</b>	<b>32,820</b>	<b>48,301</b>	<b>64,600</b>
FFP Reductions - Services & Central	-8,043	-817	-282	-190
Budget Gap @ Oct 2018	4,219	19,741	15,199	16,109
<b>Cumulative Gap @ Oct 2018</b>	<b>4,219</b>	<b>23,960</b>	<b>39,159</b>	<b>55,268</b>

Members should note though that work is ongoing to verify whether additional budgets are required for the following items. If so they will need to be built in to the final budget decisions of February 2019:

- Any increase in School Transport costs, including learning units, post 16 and SEN.
- Legislation
- Reduction in specific grants affecting service need

### Schools

In relation to schools, the draft budget for 2019/20 provides for an increase in the delegated schools budget of £2.2m to £83.9m. This represents a 2.68% increase in the budget. However this is some £1.8m short of what is required and schools will be required to make efficiency savings to cover this. The Welsh Government received £23.5m from the UK Government to fund the September 2018 Teachers pay award. The Provisional Settlement provides £13.7m of this for Councils with a further £1.1m made available for schools with sixth forms i.e. leaving the first 1% to be funded by



Councils. In NPT the current year's budget and FFP provides a 2% pay award therefore the additional full year cost for next year is some £100k plus another £10k for centrally employed teachers. The following table summarises the projected funding required for Schools over the next four years on the basis of pay award, inflation and changes in pupil numbers.

	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
<b>Schools Prior year base</b>	<b>81,708</b>	<b>83,901</b>	<b>87,551</b>	<b>89,687</b>
Virement re debt charges for SSIP programme	-300			
Inflation	1,807	2,140	1,886	1,926
Lower graded pay award 2018/19	431			
Teachers pay award (Sep 18 - above 2%)	100			
Teachers' pension increase (Sep 19)	1,788	1,338		
Pupil Numbers projection	269	243	250	250
Less Transfer to Home to School Transport	-100	-70		
Less Savings	-1,802			
<b>Delegated Budget</b>	<b>83,901</b>	<b>87,551</b>	<b>89,687</b>	<b>91,863</b>

The following tables show the estimated funding available from Welsh Government and Council Tax compared to the projected budget required for 2019/20 resulting in a budget gap of £12.262m.

#### **Estimated total funding available 2019/20**

	£'000
<b>Net Budget 2018/19</b>	<b>282,855</b>
WG Funding	1,065
Council Tax Increase	3,534
<b>Draft Funds Available 2019/20</b>	<b>287,454</b>

## Estimated budget required 2019/20

	£'000
<b>Net Budget 2018/19</b>	<b>282,855</b>
Pay Award - Teachers	1,318
Pay Award - Other	2,540
Teachers' Pension	1,883
LGPS Pension	713
Implement New Pay scale	2,000
Pressures	4,223
Capital Financing	371
Inflation	2,965
Pupil Numbers Projection	269
Grants transferred into settlement 18/19	579
<b>Draft Budget Required 2019/20</b>	<b>299,716</b>

## Draft Budget Gap 2019/20

	£'000
Budget Required 2019/20	299,716
Estimated Funds Available	287,454
<b>Draft Budget Gap 2019/20</b>	<b>12,262</b>

### 8. Draft Savings, Service Reductions and Income Generation proposals for Consultation

Attached at Appendix 1 is a schedule of draft savings, service cuts/reductions and income generation proposals for public consultation. The service schedule totals £7.351m for 2019/20 with a further £1.289m over the following 3 years. The Budget also proposes £645k to be funded from the new Corporate Contingency Reserve as well as over £3.5m from General Reserves.

The total savings/cuts and use of reserves as shown in Appendix 1 are summarised as follows:-

<b>Savings/Cuts and increased Income</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Directorate</b>				
Education, Leisure & Lifelong Learning	3,024	534	112	0
Social Services, Health & Housing	2,835	0	0	0
Environment	585	37	0	0
Corporate	407	246	170	190
Other	500	0	0	0
<b>Total Service Directorates</b>	<b>7,351</b>	<b>817</b>	<b>282</b>	<b>190</b>
Central Savings	692			
<b>Total Services &amp; Central</b>	<b>8,043</b>	<b>817</b>	<b>282</b>	<b>190</b>
Use of Corporate Contingency Reserve	645			
Use of General Reserve - Collection Fund Surplus	895	10	10	10
Use of General Reserve	2,679			
<b>Grand Total</b>	<b>12,262</b>	<b>827</b>	<b>292</b>	<b>200</b>

### **Income Generation**

Members should note that the Council including schools received over £35m of external income during 2017/18. This was generated as follows:

	<b>£'000</b>	<b>Comment</b>
Sales	4,644	School meals, Margam Park, Theatres & Social Care meals
Fees & Charges	10,728	Arts & Theatres, car parking, Homecare
Contributions received	12,591	Residential care service user contributions
Misc. income	3,726	Schools & Environment
Rents	3,496	Property rents, wayleaves, lettings, homeless
<b>Total</b>	<b>35,185</b>	

The report includes proposals to generate additional income of circa £1m for 2019/20 with work ongoing to generate further income generation for 2019/20 and subsequent years.

### **Flexibility re use of Specific Grants**

The Welsh Government indicated last year that they were minded to provide further flexibility of up to 15% on the use of the following grants which for 2018/19 total £254m - Supporting People, Flying Start, Families First, Communities First Legacy Fund and Employability Grants. On the 23<sup>rd</sup> October the WG announced that these grants will be spilt into two programmes namely - Children and Communities Grant (bringing together 7 existing programmes) with a grant allocation of £135.4m and a single Housing Support Grant (bringing together 3 existing programmes) totalling £126.7m.

In order to maximise the benefits regarding the use of all financial resources it is proposed that as part of this draft budget proposals that the Council will be looking to maximise this 15% flexibility between the base budget and these two grant programmes. This flexibility has a potential value of over £1m.

### **Corporate Contingency Reserves**

In order for the Council to maximise the use of its Budget it is proposed to establish a new Corporate Contingency Reserve in order to be able to reduce the annual Contingency Budgets but retain the ability to fund non-planned, uncertain calls or one-off expenditure. A review of the Insurance and Treasury Management Reserves allows £2.5m to be transferred into this new reserve. The following table shows the opening balance, potential call and projected balance on this reserve. Should any of the calls require base budget increases this will need to be built into future years Forward Financial Plan updates.

<b>New Corporate Contingency Reserve</b>	<b>2019/20</b>
	<b>£'000</b>
Transfer from Insurance Reserve.	2,000
Transfer from Treasury Management Reserve.	500
<b>Total Opening Balance</b>	<b>2,500</b>
<b>Less Potential Call on this Reserve:</b>	
Education ALN Legislation requirements.	-350
Single Environment Grant shortfall.	-100
Housing Benefit Admin Grant shortfall.	-75
2 Data Protection Officers employed to 31 March 2020. 1 paid from this reserve, the other to be paid for by schools.	-30
Digital Skills Strategy Funding	-50
Domestic & Violence Advise Funding cut for worker by Home Office for 2018. NPT provision for further year to March 2020.	-40
<b>Estimated Balance</b>	<b>1,855</b>

## **Council Tax**

In relation to council tax the 2019/20 Draft Budget assumes a 5% increase. However, it should be noted that the actual Council Tax for next year will not be set until the Council's Budget setting meeting of mid-February 2019. For information Members should note that every 1% increase in council tax generates some £700,000 of additional funding (£530k net of Council Tax Support).

The First Minister has indicated that should the Welsh Government receive additional funding from the Chancellor's Budget due 29 October then Local Government will have a priority call on such funds. Given that WG have also been pursuing additional funding from the UK Government for Teachers Pensions some of the above mentioned gap may be able to be closed following receipt of the Final Settlement in December 2018.

## **9. Other Considerations**

As in previous years members will review and scrutinise the draft proposals set out in this report in the relevant Scrutiny Committee during the next 3 months. The consultation period will end on 11<sup>th</sup> January 2019.

The Final Local Government Settlement announcement is expected on 19<sup>th</sup> December and a report will be prepared setting out all changes. The Final Budget report due to be considered by Cabinet on 13 February 2019 will also take account of all matters identified by stakeholders during the consultation period together with relevant issues from the UK and Welsh Government announcements. Continuous monitoring and appropriate changes will be made re Brexit, other economic, public spending and taxation matters.

As previously mentioned, 75% of the Council's funding comes from the Welsh Government. Local Authorities, the Welsh Local Government Association and Trade Unions have over the past few months set out their case for a reasonable funding settlement for local public services. Whilst the provisional settlement for 2019/20 is challenging with a slight increase of 0.2% we must continue to lobby for better a better Final Settlement for 2019/20 and for future years as Local Government and this Council will find it even more difficult to provide the critical services that our citizens and service users need and require.

## **10. Crime and Disorder Impact**

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

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

## **11. Equality Impact Assessment**

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

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

- foster good relations between persons who share a relevant protected characteristics and persons who do not share it.”

This report identifies the need to make budget savings of some £12.262m for 2019/20 and £64m over the next 4 years. The draft proposals will have different impacts on services provided across the whole of the County Borough i.e. on citizens, on service users and various people included within the protected characteristics groups set out in the Equality Act 2010 and other legislative measures. Individual Impact Assessments for specific proposals are being undertaken and will be made available to Members as part of finalising proposals.

## **12. Sustainable Development**

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

This report sets out many service change proposals, which taken together, represent a significant change in the Council’s service delivery arrangements. However it should be noted that at this time these are draft proposals for consultation and not final decisions, those will be made in February 2019. As part of the sustainable development principle the Council has a duty to set a balanced budget. During these austere times this can cause a conflict between what the Council wants to provide and what it can afford. Stakeholder consultation on these draft proposals will enable the Council to take account of responses and other relevant information to assist it to finalise its allocation of resources in February 2019.

### **13. Workforce Impacts**

The workforce will be impacted by the reduction in budget funding available to run services. The Council is sharing this report and information with trade unions and will continue to hold staff briefings over the next few months. The Council wishes to minimise compulsory redundancies and has opened the early retirement/voluntary redundancy scheme.

### **14. Consultation**

Today will commence the formal consultation with the public and all stakeholders on the draft budget proposals for savings/income generation.

Members will note the consultation will commence immediately following Cabinet today until the 11<sup>th</sup> January 2019 prior to final decisions being made in February 2019.

### **15. Recommendation**

It is recommended that Members authorise the Chief Executive to consult the public on the draft budget savings, service changes and additional income proposals set out at Appendix 1 of this report.

### **16. Reason for Proposed Decision**

To commence the draft budget consultation for 2019/20.

### **17. Implementation of Decision**

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

### **18. Appendices**

Appendix 1 - Draft Budget Savings, Cuts and Income Generation for Consultation

Appendix 2 - Revenue Service Pressures 2019 to 2023

Appendix 3 – Inflation and other Factors

Appendix 4 - Specific Grants Schedule 2019/20



## **19. Background Papers**

Welsh Government Provisional Local Government Settlement  
Announcement of 9 October 2018  
Budget working files

## **20. Officer Contact**

For further information on this report item, please contact:

Mr. Steven Phillips – Chief Executive

Tel: 01639 763305 Email: [s.phillips@npt.gov.uk](mailto:s.phillips@npt.gov.uk)

Mr Hywel Jenkins – Director of Finance & Corporate Services

Tel: 01639 763251 E-mail: [h.jenkins@npt.gov.uk](mailto:h.jenkins@npt.gov.uk)

Mr Aled Evans – Director of Education, Leisure and Lifelong  
Learning – Tel: 01639 763393 Email: [a.evans@npt.gov.uk](mailto:a.evans@npt.gov.uk)

Mr Gareth Nutt – Director of Environment

Tel: 01639 686668 Email: [g.nutt@npt.gov.uk](mailto:g.nutt@npt.gov.uk)

Mr Andrew Jarrett – Director of Social Services, Health and  
Housing - Tel: 01639 763279 Email: [a.jarrett@npt.gov.uk](mailto:a.jarrett@npt.gov.uk)

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL704	ES&C	Out of county placements	Andrew Thomas	No major impact, pupils will have reached school leaving age. Also savings in special school transport costs	1,060	7%	72	0	0	0
ELLL707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	2nd year of proposal from 2018/19. This will place an imperative on realising increased income targets as identified in the facility's Business Plan and working towards establishing a Cinema via Arts Council for Wales grant funding. The cinema is unlikely to come to fruition until 2020/21 and we are then targeting additional income of £70k. Other possibilities linked to the cinema project are the further development of the licensed bar, and food and beverage offer which complement the Arts programme and cinema audience.	203	54%	40	70	0	0
ELLL715	ES&C	School Catering	Chris Millis	Savings from implementing new pay scales. Will reduce pay of school catering staff.	1,828	5%	100			

Tudalen58

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL801	ES&C	Re-negotiate current contract to deliver outdoor education at the Discovery Centre, Margam Park.	Andrew Thomas	Negotiations nearing completion with Field Studies Council which involve a 100% reduction in management fee. However as part of the negotiations it will be necessary to establish an annual "sinking fund" to meet the landlord building maintenance obligations in the sum of £50k. This means the net reduction in management fee is £200k. Likely increased cost for NPT pupils - more in line with what other users pay. Every effort will be made to protect financially disadvantaged pupils from price increases.	200	100%	200	0	0	0
ELLL802	ES&C	Reduction in subsidy of Celtic Leisure Contract (including leisure centres, swimming pools and the Gwyn Hall Theatre	Andrew Thomas	More efficient management of Celtic Leisure contract.	1,328	11%	140	0	0	0

Tudalen59

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL808	ES&C	Margam Park - income generation	Andrew Thomas	Targeted increase of 24 additional weddings/and other functions. It is expected that gross income will increase by over £200k with the net contribution after catering costs being £75k.	365	21%	75	0	0	0
ELLL810	ES&C	Cefn Coed Museum - reduce subsidy	Chris Millis	Second year of strategy agreed in Feb 2018. Consult and work with Friends of Cefn Coed Museum to identify income generation opportunities and volunteer contributions, and support wider development of this facility including current Valleys Gateway proposal.	50	10%	5	0	0	0
ELLL901	ES&C	School Meals	Chris Millis	The current price of a school meal for pupils in primary and special schools is £2.30, and it is proposed that this is increased to £2.35.	1,828	2%	30	0	0	0

Tudalen60

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL902	ES&C	Music Service	Chris Millis	The proposal involves increasing the charge to schools to generate additional income over 2 years to cease the subsidy. It is possible that some schools will no longer buy the service. This could have a consequential impact on staffing levels within the music service. The Director is seeking WG agreement to release a significant proportion of the £2m identified in the WG Budget to support local authority music services.	161	100%	80	81	0	0
ELLL903	ES&C	Cleaning service	Chris Millis	The current budget shortfall for the cleaning service to schools is £127k. It is proposed to increase the cost of the service to schools to generate an additional £50k. If schools decide to purchase a cleaning service elsewhere, outside of the local authority, it could have an impact on staff levels. This proposal is also a further pressure on school budgets.	50	100%	50	0	0	0

Tudalen61

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL904	ES&C	Croeserw Community Centre	Chris Millis	Croeserw Community Centre is the only community centre the local authority wholly manages as all others have been transferred to their respective community organisations or individuals. This strategy in the main has worked well. It is proposed to engage with any interested parties who wish to take on the operation of the centre as happened with all other community centres and seek transfer over 2 years.	90	100%	45	45	0	0
ELLL905	ES&C	Welsh Translation	Chris Millis	The budget for the service is £92k. It is proposed to increase the cost of translation services to customers within the local authority and those outside to generate sufficient additional income to reduce the subsidy.	92	100%	30	30	32	0
ELLL906	ES&C	Education Learning Resource Service	Andrew Thomas	Increased income target to be achieved by reviewing the fees and charges for services currently provided and to pursue new customers.	-15	67%	10	0	0	0

Tudalen62

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL907	ES&C	Special Education Service - Out of County placement savings	Andrew Thomas	The directorate has been pursuing a strategy of developing specialist provisions within county to prevent hugely expensive out of county placements over many years. This proposal is a continuation of that strategy whilst recognising there is a degree of risk associated with it as more and more children present with high levels of complex needs and therefore require placement in very specialist provisions out of county.	1,059	5%	58	0	0	0
ELLL908	ES&C	School uniform grant	Chris Millis	WG have recently confirmed funding to replace the former "school uniform grant" in the form of the PDG Access Grant, so this provision now will be funded wholly by WG grant	35	100%	35	0	0	0

Tudalen63

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL909	ES&C	SEN post 16 transport saving	Chris Millis	This is a non-statutory service. The budget is £228k and is projected to overspend in-year (2018-19) by £ 73k. For all other students NPTC are responsible for transporting pupils who are registered pupils of the College. It is proposed to cut this budget and discuss with the college their funding arrangements. This proposal will require full consultation and Integrated Impact Assessment.	228	100%	0	228	0	0
ELLL910	ES&C	SSIP Budget Reduction	Andrew Thomas	21st Century Band B business cases, which are a requirement of WG to draw down capital funding, have been completed in the current financial year which means there are fewer to complete in 2019/20.	468	9%	40	0	0	0
ELLL911	ES&C	Vacancy management	Andrew Thomas/ Chris Millis	This reduces the number of jobs when staff leave or there may be some delay in appointments.	0	0%	50	0	0	0

Tudalen64



## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL912	ES&C	Library service reduction	Andrew Thomas	Phased transfer into community operation or closure of the following libraries - Baglan, Cwmafan, Glynneath and Skewen based on low numbers of media issues (less than 40,000 per annum / 10,000 per quarter over the past 3 years). Vehicle contract savings will also be made upon expiry of mobile library leases in October 2018 and November 2019. Undertake a review of all library services in order to rationalise services and consider alternative delivery models.	1,613	14%	75	80	80	0
ELLL913	ES&C	Youth service reduction	Chris Millis	The service has been subjected to cuts over successive years. This further cut will mean some current services, including youth club provision, will have to reduce or stop.	492	4%	20	0	0	0
ELLL914	ES&C	Grant management	Andrew Thomas/ Chris Millis	To fund legitimate core costs from specific grants.	0	0%	60	0	0	0

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## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ELLL915	ES&C	Schools delegated budget	Andrew Thomas/ Chris Millis	It is proposed to increase the Schools Budget by £2.2m but due to increased pressures and pay awards this is not sufficient. This is a real terms cut for schools of circa 2%. This cut will have an impact on staffing levels in schools and will be felt most significantly in those schools that are in a deficit budget situation.	81,708	2%	1,802	0	0	0
ELLL916	ES&C	Savings arising from the cessation of the Print Commissioning function	Andrew Thomas/ Chris Millis	Directorates will commission printing services direct from suppliers, and therefore no longer incur the cost of the overhead from the unit	0	0%	7	0	0	0
SSHH901	SCHWB	Children services	Keri Warren	Ensure that only those children who need to be in care are admitted and remain and that those in care have safe and stable placements. Safeguarding will always remain a top priority.	21,506	2%	500	0	0	0
SSHH902	SCHWB	Hillside	Alison Davies	Generate additional income from welfare bed placements by increasing the number of beds available	-255	78%	200	0	0	0

Tudalen66

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
SSHH903	SCHWB	Adult Social Care - Provide for assessed need in the most cost effective way across all of adult services.	Angela Thomas	For example, we would support people to live in their own home up to the cost of residential care (currently £550/week for older people) where it is safe to do so and meets their assessed needs.	46,621	1%	250	0	0	0
SSHH904	SCHWB	Maximise value for money across respite care services	Angela Thomas	For example ensure that we fully utilise respite bed provision with POBL. This will mean reducing the choice of residential provision in relation to respite care.	26,489	1%	150	0	0	0
SSHH905	SCHWB	Transport policy	Angela Thomas	Cease providing free taxi transport for Adults to attend daily respite and college, if transport is not an assessed need. This will require a policy change.	297	72%	215	0	0	0
SSHH906	SCHWB	Homecare	Angela Thomas	Following the re-design of the in-house homecare service, reduce management and support staffing via ER/VR.	8,073	3%	250	0	0	0
SSHH907	SCHWB	Homecare	Angela Thomas	Re-model the Extra Care Supported Living Schemes	8,073	2%	180	0	0	0

Tudalen67

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
SSHH908	SCHWB	Western Bay	Angela Thomas	Jointly working with City & County of Swansea and ABMU to make procurement savings on the Deprivation of Liberty Assessments	0	0%	50	0	0	0
SSHH909	SCHWB	Non statutory services	Angela Thomas	Deletion of 5 fte posts within the Welfare Rights Service via ER/VR. This will leave a team of 7 fte funded through grant monies (McMillan and Community First).	150	100%	150	0	0	0
SSHH910	SCHWB	Building Safe & Resilient Communities	Andrew Jarrett	Divert demand through earlier intervention & prevention by identifying sources of community provision which will meet people's needs.	0	0%	200	0	0	0
SSHH911	SCHWB	Staffing across the Directorate	Angela Thomas/ Keri Warren	Reduction in staffing via ER/VR	0	0%	525	0	0	0
SSHH912	SCHWB	Community Resource Team	Angela Thomas	Ongoing additional Intermediate Care Fund (ICF) grant	2,576	2%	60	0	0	0
SSHH913	SCHWB	Supporting People	Angela Thomas	Optimise the use of the SP grant in Learning Disability services	4,795	2%	100	0	0	0

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## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
SSHH914	SCHWB	Savings arising from the cessation of the Print Commissioning function	All	Directorates will commission printing services direct from suppliers, and therefore no longer incur the cost of the overhead from the unit.	0	0%	5	0	0	0
ENVT901	S&E	Parking tariff increase	Dave Griffiths	Introduce increased prices by average of 30p for all Council run car parks in the 3 Town Centres from April 2019	-372	8%	30	0	0	0
ENVT902	S&E	Alternative car parking initiatives	Dave Griffiths	Increased income from Neath BID or usage.	-372	3%	10	0	0	0
ENVT903	S&E	E&T cost saving	Dave Griffiths	Staff savings via ERVR	0	0%	64	0	0	0
ENVT904	S&E	Highways Development Control	Dave Griffiths	Income generation via permitting watercourses etc.	247	4%	10	0	0	0
ENVT905	S&E	Car Parking Permits	Dave Griffiths	Increased income from sale of permits to police and schools in Neath	-372	1%	4	0	0	0
ENVT906	S&E	Staff & Member Parking charges	Dave Griffiths	Increase charge by £3 per month for staff working more than 23 hours and £1.50 for other part time staff. These charges also refer to members who are part of the scheme.	-372	13%	50	0	0	0
ENVT907	S&E	Road Safety and Business Performance	Dave Griffiths	Reduced budget for Supplies & Services	234	4%	9	0	0	0

Tudalen69

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ENVT908	S&E	Increased Rental Income	Simon Brennan	Pontardawe One Stop Shop rental income.	2,415	1%	14	0	0	0
ENVT909	S&E	Employee cost savings	Simon Brennan	Reduce management capacity in Estates and Building Cleaning following non-replacement of staff vacancy.	562	4%	25	0	0	0
ENVT910	S&E	Port Talbot Civic Centre	Simon Brennan	Remove security at night in Civic Buildings	2,415	2%	50	0	0	0
ENVT911	S&E	Estates section	Simon Brennan	Reduction in staff costs to cover Gypsy and Traveller Sites	603	3%	20	0	0	0
ENVT912	S&E	Investment Income	Simon Brennan	Consolidate various income sources from filming, land fees etc.	-43	93%	40	0	0	0
ENVT913	S&E	Income generation	Nicola Pearce	Including: Environmental Monitoring at Giants Grave, Japanese Knotweed Remediation service and imposing charges for Housing Inspections prior to serving notices.	682	6%	40	0	0	0
ENVT914	S&E	Income generation	Nicola Pearce	Introduce new Food Hygiene Income charges associated with food premises re-score.	470	2%	8	0	0	0
ENVT915	S&E	Reduce Subscriptions	Nicola Pearce	Cancel TS Link subscription and rely instead on alternative means of intelligence gathering	508	1%	4	0	0	0

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## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
ENV917	S&E	Planning services	Nicola Pearce	Income generation through an increased emphasis upon Planning Performance Agreements and insourcing of planning and biodiversity consultancy work where possible. Staff savings through vacancy management and the phased retirement of an officer.	282	26%	36	37	0	0
ENV918	S&E	Pest control	Michael Roberts	Increase fee levels to cover costs, which will still be much lower than market rates. In some instances this will result in the charge increasing by triple the fee e.g. treatment of rats from £40 for 3 visits to £120 for 3 visits.	99	51%	50	0	0	0
ENV919	S&E	Cemeteries	Michael Roberts	Move closer to full cost recovery with increases for a number of cemetery services. For example - burial fee increasing from £659 to £800.	125	40%	50	0	0	0
ENV920	S&E	Bowling Greens/sports fields	Michael Roberts	Cease to provide any maintenance services in relation to bowling greens. Ensure cost recovery of charges for work on sports fields - increase charges or	1,065	5%	50	0	0	0

Tudalen71

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
				stop work.						
ENVT921	S&E	School ground maintenance	Michael Roberts	Ensure charges provide cost recovery - increase costs or stop providing service. Charges would need to increase by 20% or on average by £200 per school. Some schools could move to other providers.	1,065	1%	10	0	0	0
ENVT924	S&E	Savings arising from the cessation of the Print Commissioning function	All	Directorates will commission printing services direct from suppliers, and therefore no longer incur the cost of the overhead from the unit	0	0%	11	0	0	0
CORP577	CAB	CCTV - cost savings	Karen Jones	Savings at the end of the current CCTV Maintenance contract period which reflects a lower number of cameras following the camera estate review.	244	12%	30	0	0	0

Tudalen72



## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
CORP702	CAB	ICT Staff reductions	Steve John	Development capacity will fall and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues. A number of posts are funded from reserves which will be exhausted by March 2020.	3,875	8%	160	160	0	0
CORP801	CAB	Finance Division - Reduce number of staff	Huw Jones	This proposal will reduce the number of people working within the Finance Division with posts being lost through the Voluntary Redundancy process. This will put more pressure on the staff remaining and reduce resilience within the Division.	3,793	3%	120	0	0	0
CORP901	CAB	Digital strategy - automation of one post following introduction of a new Corporate Performance Management System.	Karen Jones	Employee has been redeployed under the Council's Management of Change Scheme.	284	9%	25	0	0	0
CORP902	CAB	Reduce management cost	Karen Jones	Management review following staff turnover.	4,105	2%	25	30	30	0

Tudalen73

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
CORP903	CAB	Digital strategy - further transformation of customer services	Karen Jones	Digital strategy - Move to a position where there is one One Stop Shop. This will mean a gradual reduction in face to face services at Port Talbot Civic Centre. Automation of telephone calls at Contact Centre Service leading to a reduction in the number of jobs.	711	9%	0	36	30	0
CORP904	CAB	Income generation - info asset sponsorship - implementing the corporate communications and community relations strategy	Karen Jones	Income Generation and Digital Strategy - Introduce targeted sponsorship and advertising policy for the Council's information assets, based on ethically and commercially sound policy. The business case is being developed and is likely to require pump prime funding i.e. invest to save.	396	20%	0	0	30	50
CORP905	CAB	Income generation - working towards a self-financing CCTV service	Karen Jones	Revisit the 2015 options appraisal to identify a strategy that can reduce/eliminate the Council subsidy for this non statutory service. Capital investment will be required to ensure the service can satisfy insurance, business continuity and service requirements.	243	49%	0	0	40	80

Tudalen74

## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
CORP906	CAB	Income generation - refocus the communications, community relations, customer services to promote Council services & functions	Karen Jones	Market the Council's services and functions to staff and the external customer base to increase participation in paid for services.	396	30%	0	20	40	60
CORP907	CAB	HR Non staff savings	Sheenagh Rees	Reduce expenditure on printing, postage, books, stationery, conference fees by moving to digital services and solutions	1,283	0%	6	0	0	0
CORP908	CAB	HR staff savings	Sheenagh Rees	Pilot project to automate tasks in the Employment support team, to enable deletion of vacant posts from the structure	1,283	0%	6	0	0	0
CORP909	CAB	Corporate services staff savings	Craig Griffiths	Savings following internal promotion of staff	117	15%	18	0	0	0
CORP910	CAB	Legal non staff saving	Craig Griffiths	Reduction in Online Resource - contract ends April 2019	2,083	0%	6	0	0	0
CORP911	CAB	Remove annual contribution to member development reserve	Karen Jones	The reserve balance of £115k is sufficient to meet anticipated future use.	0	0%	5	0	0	0

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## Draft Budget Savings, Cuts and Income Generation for Consultation

Ref	Board	Description	Lead	Main Impacts	Budget 2018/19	% saving	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
CORP912	CAB	Savings arising from the cessation of the Print Commissioning function	All	Directorates will commission printing services direct from suppliers, and therefore no longer incur the cost of the overhead from the unit	0	0%	6	0	0	0
OTH901		Reduce insurance recharge		Reduction in total cost of insurance management premiums and claims.	0	0%	500	0	0	0
		Total			246,614	3.5%	7,351	817	282	190

Tudalen76

	2019-20
<p>In addition to the above the Council is looking to maximise the flexibility provided by the Welsh Government in relation to the following two programmes Children and Communities Grant (bringing together 7 existing programmes) with a grant allocation of £135.4m and a single Housing Support Grant (bringing together 3 existing programmes) totalling £126.7m.</p> <p>Last year the Welsh Government stated that Council could benefit by flexing these budgets by up to 15%. This flexibility has a potential value of over £1m for the council if it can cover base budget costs within these grants.</p>	£1m

## Draft Budget Savings, Cuts and Income Generation for Consultation

## Central Savings and Use of General Reserves

Ref	Board	Description	Lead	Main Impacts	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
C1	CAB	Council Tax Support		Reduced demand in current year expected to continue.	500	16	16	16
C2	CAB	Pay & Pensions Provision		Reduced to Zero but can be covered by any demand from the new Corporate Contingency Reserve.	192	4	3	1
		<b>Total Central Savings</b>			<b>692</b>	<b>20</b>	<b>19</b>	<b>17</b>
C3	CAB	Contribution from General Reserve - Collection Fund Surplus		Contribution from General Reserve to underpin Base Budget. To use projected annual collections fund surplus.	895	10	10	10
C4	CAB	Contribution from General Reserve		Contribution from General Reserve to underpin Base Budget. Will require additional savings/cuts in subsequent years.	2,679			
		<b>Total use of General Reserve</b>			<b>3,574</b>	<b>10</b>	<b>10</b>	<b>10</b>
		<b>Total</b>			<b>4,266</b>	<b>30</b>	<b>29</b>	<b>27</b>

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## Revenue Service Pressures 2018 to 2023

Ref	Service area	2019/20	2020/21	2021/22	2022/23
		£'000	£'000	£'000	£'000
ELLL5	Home to School Transport - Welsh Medium 2nd campus	100	35	0	0
ELLL6	Ysgol Bae Baglan Pay Protection	-53	0	0	0
ELLL8	Education Improvement Grant cut of £11m or 9.3% projected for 2019-20	600	0	0	0
ELLL9A	Teachers Increased Pension contributions from 16.48% to 23.6% - Centre	95	72	0	0
ELLL9B	Teachers Increased Pension contributions from 16.48% to 23.6% - Schools	1,788	1,338	0	0
ELLL11	Additional Learning Needs Provision	0	500	500	500
ELLL12A	Full year effect of teachers pay award (Sept 18) - centre	10	0	0	0
ELLL12B	Full year effect of teachers pay award (sept 18) - schools	100	0	0	0
ELLL13	Secondary Education ASD specialist provision	300	0	0	0
ELLL14	Schools - pupil numbers	269	243	250	250
SSHH54	Adult Services LD - transition growth	700	200	200	200
SSHH53	National Living Wage - additional contract costs	0	250	250	250
SSHH51	Residential care - additional provision above 2%	270	280	280	280
SSHH56	Community Lives Consortium contract increase.	150	0	0	0
ENVT20	Provision for Single Environment Grant	0	50	0	0
ENVT21	2 additional Waste Enforcement Officers to enforce side waste policy and to educate residents and traders on recycling	77	0	0	0
ENVT23	Additional Highways and Drainage Inspector to inspect the newly identified active travel cycle network and other currently uninspected non-highways public areas	27	0	0	0
ENVT24	Matched funding requirement for BSSG Grant - to pay local bus subsidies	400	0	0	0
ENVT25	SUDS (Sustainable Urban Drainage Systems)- new statutory requirement which allows collection of income at pre-set rates which will leave £30k shortfall	30	0	0	0
ENVT26	Additional funds for LDP review for the period 2020 to 2024.	0	100	0	0
ENVT29	Provision to compensate Loss of Rights of Way Improvement Plan grant	35	0	0	0

## Revenue Service Pressures 2018 to 2023

Ref	Service area	2019/20	2020/21	2021/22	2022/23
		£'000	£'000	£'000	£'000
ENVT30	Gypsies services- increased pressure on maintenance budgets associated with the 2 Gypsy sites and increased management of Gypsies not on designated sites.	70	0	0	0
ENVT33	Waste - loss of MREC rent	200	0	0	0
ENVT34	Waste - additional provision for providing service in house	800	0	0	0
ENVT35	Tourism Unit - Full year effect	44	0	0	0
ENVT36	Asset sponsorship income shortfall	50	0	0	0
ENVT37	Biodiversity funding to meet planning consultation requirements	36	0	0	0
CORP17	Housing Benefit Admin Subsidy Grant reductions	0	50	25	25
CORP18	Coroners Service - Contribution to enhanced cost of joint service following national pay review.	30	0	0	0
CORP19	Procurement Online Resources - Sell to Wales and e-tendering services paid for by WG. Provision for Council to pay for contract ending late 2019.	20	40	0	0
CORP20	Third Sector Grants - increase base budget for strategic partners	100	0	0	0
CORP21	ICT Microsoft Licence	100	50	50	0
OTH008	Living wage - other contracts	0	250	250	250
OTH009	New pay scale	2,000	250	250	250
CONT1	General Contingency	27	2,000	2,000	2,000
CONT7	Capital financing costs re 21st Century Schools Band B investment	0	0	0	800
	<b>Total</b>	<b>8,375</b>	<b>5,708</b>	<b>4,055</b>	<b>4,805</b>

**Inflation and other Factors**

	2019-20	2020-21	2021-22	2022-23
<b><u>Expenditure</u></b>				
Teachers Pay Award (Sep)	2.00%	2.00%	2.00%	2.00%
Non-Teachers Pay	2.00%	2.00%	2.00%	2.00%
LGPS Employers Rate	3.04%	8.86%	1.69%	1.67%
NNDR	2.00%	2.00%	2.00%	2.00%
Supplies & Services	2.00%	2.00%	2.00%	2.00%
General Inflation	2.00%	2.00%	2.00%	2.00%
Waste - MREC	2.00%	2.00%	2.00%	2.00%
CA Sites	2.50%	2.50%	2.50%	2.50%
Capital Financing	2.00%	2.00%	2.00%	2.00%
Levies	2.50%	2.00%	2.00%	2.00%
<b><u>Income &amp; Funding</u></b>				
Income - Inflation & Volume	2.00%	2.00%	2.00%	2.00%
RSG	+0.20%	-2.00%	-2.00%	-2.00%
Council Tax	5.00%	0.00%	0.00%	0.00%



## Provisional Settlement Specific Grants Schedule 2019-20

	2018-19 £m	2019-20 £m	Change £m
<b><u>Children, Older People and Social Care</u></b>			
Flying Start Revenue Grant <sup>1</sup>	74.683	0.000	-74.683
Families First <sup>1</sup>	37.661	0.000	-37.661
Out of School Childcare <sup>1</sup>	2.300	0.000	-2.300
NHS Funded Nursing Care Grant	1.900	NA	NA
St David's Day Fund <sup>1</sup>	1.000	0.000	-1.000
National Approach to Advocacy	0.550	0.550	0.000
Maintaining the Delivery of the National Adoption Register	0.172	0.172	0.000
Development of Adoption Support Services in Wales	0.090	0.090	0.000
Children and Communities Grant	0.000	135.442	135.442
<b>TOTAL</b>	<b>118.356</b>	<b>136.254</b>	<b>19.798</b>
<b><u>Culture, Tourism and Sport</u></b>			
Regional Tourism Engagement Fund	0.976	0.750	-0.226
CYMAL	0.268	NA	NA
Specialist Service Grants	0.065	0.065	0.000
<b>TOTAL</b>	<b>1.309</b>	<b>0.815</b>	<b>-0.226</b>
<b><u>Economy and Transport</u></b>			
Concessionary Fares	57.986	60.133	2.147
Bus Services Support Grant	25.000	25.000	0.000
Bus Revenue Support Traws Cymru	3.400	3.387	-0.013
Road Safety Grant	2.000	2.000	0.000
Major Events Grant Support	1.625	NA	NA
Anglesey Airport	0.366	NA	NA
Enterprise Zones	0.105	0.050	-0.055
<b>TOTAL</b>	<b>90.482</b>	<b>90.570</b>	<b>2.079</b>
<b><u>Education</u></b>			
Education Improvement Grant <sup>2</sup>	118.137	118.137	0.000
Pupil Development Grant	91.333	91.333	0.000
Raising School Standards <sup>2</sup>	10.030	NA	NA
Additional Support for Ethnic, Minority, Gypsy Roma Traveller Learners <sup>3</sup>	8.700	8.700	0.000
Teachers Pay Grant	8.069	RSG	RSG
Pioneer Schools <sup>2</sup>	7.105	NA	NA
Free School Meals Grant	4.000	RSG	RSG
Youth Support Grant	3.470	3.470	0.000
Additional Learning Needs Transformation Grant	3.200	3.200	0.000
Reducing infant class sizes grant	3.000	5.000	2.000
Small and Rural Schools Grant	2.500	2.500	0.000
PDG Access <sup>3</sup>	1.770	3.554	1.784
GCSE Support <sup>2</sup>	1.000	0.000	-1.000
The Learning in Digital Wales Continuing Professional Development Programme (Phase 2) <sup>2</sup>	0.450	0.500	0.050
Modern Foreign Languages <sup>2</sup>	0.432	0.432	0.000
Seren Network Hub Grant	0.320	0.320	0.000
Senior Business Managers	0.200	0.200	0.000

## Appendix 4

	2018-19 £m	2019-20 £m	Change £m
Mentoring and Networking Support for Head Teachers <sup>2</sup>	0.140	0.140	0.000
Specialist Skills Development	0.079	0.131	0.051
National Numeracy Tests <sup>2</sup>	0.020	0.020	0.000
Schools Funding Grant	0.000	15.000	15.000
<b>TOTAL</b>	<b>263.956</b>	<b>252.637</b>	<b>17.885</b>
<b><u>Energy, Planning and Rural Affairs</u></b>			
Sustainable Waste Management Grant <sup>4</sup>	18.200	NA	NA
Waste Infrastructure Procurement Programme - Gate Fee Contributions	7.680	10.170	2.489
Single Revenue Grant <sup>5</sup>	2.548	0.000	-2.548
Animal Health & welfare Framework Funding	0.200	0.200	0.000
South Wales Regional Aggregate Working Party	0.050	0.050	0.000
Waste Planning Monitoring Report - North Wales and South East Wales.	0.049	0.049	0.000
North Wales Regional Aggregate Working Party	0.025	0.025	0.000
Waste Planning Monitoring Report - South West Wales	0.017	0.017	0.000
Non-Domestic (Business) Rates Support for Hydropower	0.008	NA	NA
<b>TOTAL</b>	<b>28.777</b>	<b>10.510</b>	<b>-0.059</b>
<b><u>Environment</u></b>			
Land Drainage and Coastal Protection	1.430	1.430	0.000
Air Quality Direction Feasibility Study	0.554	0.554	0.000
Sustainable Development Fund for Areas of Outstanding Natural Beauty	0.275	0.275	0.000
<b>TOTAL</b>	<b>2.259</b>	<b>2.259</b>	<b>0.000</b>
<b><u>Finance</u></b>			
High Street Rate Relief	5.000	0.000	-5.000
<b>TOTAL</b>	<b>5.000</b>	<b>0.000</b>	<b>-5.000</b>
<b><u>Health and Social Services</u></b>			
Substance Misuse Action Fund	22.663	22.663	0.000
Deprivation of Liberty Safeguard	0.263	NA	NA
Take Home Naloxone	0.080	0.080	0.000
Substance Misuse Bursary Scheme	0.035	0.035	0.000
Social Services Grant	0.000	30.000	30.000
<b>TOTAL</b>	<b>23.041</b>	<b>52.778</b>	<b>30.000</b>
<b><u>Housing and Regeneration</u></b>			
Supporting People <sup>6</sup>	123.688	0.000	-123.688
Cardiff Bay Regeneration	5.400	5.400	0.000
Homelessness Grant	2.800	NA	NA
Rural Housing Enabler Projects	0.030	0.030	0.000
Housing Support Grant	0.000	126.763	126.763
<b>TOTAL</b>	<b>131.918</b>	<b>132.193</b>	<b>3.075</b>

## Appendix 4

	2018-19 £m	2019-20 £m	Change £m
<b><u>Leader of the House</u></b>			
Violence against Women, Domestic Abuse & Sexual Violence Grant	1.938	2.438	0.500
Community Cohesion Grant	0.360	0.360	0.000
<b>TOTAL</b>	<b>2.298</b>	<b>2.798</b>	<b>0.500</b>
<b><u>Local Government and Public Services</u></b>			
Cardiff Capital City Deal	10.000	10.000	0.000
Communities First Legacy <sup>1</sup>	6.000	0.000	-6.000
Promoting Positive Engagement for Young People At Risk of Offending <sup>1</sup>	4.330	0.000	-4.330
Child Burials	0.600	0.600	0.000
Support for Public Services Boards	0.400	0.400	0.000
Armed Forces Day	0.170	0.020	-0.150
<b>TOTAL</b>	<b>21.500</b>	<b>11.020</b>	
<b><u>Welsh Language and Lifelong Learning</u></b>			
Sixth Form Funding <sup>7</sup>	92.918	NA	NA
Communities for Work Plus <sup>1</sup>	10.731	0.000	-10.731
Communities for Work	6.833	6.906	0.074
Adult Community Learning	4.307	NA	NA
Promote and Facilitate the use of the Welsh Language	0.314	0.314	0.000
<b>TOTAL</b>	<b>115.102</b>	<b>7.220</b>	<b>-10.657</b>
<b>All Grants</b>	<b>803.997</b>	<b>699.054</b>	<b>57.396</b>
<b>All Grants excluding NA and RSG transfers (like comparison)</b>	<b>652.138</b>	<b>699.054</b>	
<p>i The information shown above details the total amount of each grant. Some grants may be split between local authorities and other bodies.</p> <p>ii It is important to note that amounts for future years are indicative at this stage and are liable to change.</p> <p>iii Formal notification of grant allocations is a matter for the relevant policy area.</p>			
NA = figures not available at time of publication			
RSG = funding transferring to Revenue Support Grant			
<sup>1</sup> These programmes are part of the new Children and Communities Grant from 1 April 2019			
<sup>2</sup> These programmes are part of the Regional Consortia School Improvement Grant			
<sup>3</sup> These programmes are part of the Local Authority Education Grant			
<sup>4</sup> £35m of the Sustainable Waste Management Grant transferred to Revenue Support Grant 2018-19.			
<sup>5</sup> The Single Revenue Grant will end on the 31st March 2019. The new Enabling Natural Resources and Well Being Grant (ENRaW) was launched on 7th September.			
<sup>6</sup> The Supporting People Grant will be included in 2019-20 within the Housing Support Grant			
<sup>7</sup> The 2019-20 allocation will include an additional £1.074m in respect of the sixth form funding element of the Teacher's Pay Grant			

Mae'r dudalen hon yn fwriadol wag

## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### CABINET

#### REPORT OF THE HEAD OF FINANCE – HUW JONES

31<sup>st</sup> October 2018

#### Matter for Information

#### Wards Affected - All

#### TREASURY MANAGEMENT MONITORING 2018/19

#### 1. Purpose of Report

- 1.1 This report sets out treasury management action and information. This information will be reported quarterly to Cabinet to coincide with the cycle of budget monitoring reports. This supersedes the previous arrangement of reporting to Policy and Resources Cabinet Board.

This report will also be forwarded to the next Audit Committee in line with the Council's Treasury Management Practices Scrutiny arrangements.

#### 2. Rates of Interest

- 2.1 The Monetary Policy Committee (MPC) voted on the 2<sup>nd</sup> August 2018 to increase the bank rate to 0.75%. The reason given for this rise was to try to halt the rises in the rate of inflation.

<b>Effective Date</b>	<b>Bank Rate</b>
4th December 2008	2.00%
8th January 2009	1.50%
5th February 2009	1.00%
5th March 2009	0.50%
4th August 2016	0.25%
2nd November 2017	0.50%
2 <sup>nd</sup> August 2018	0.75%

2.2 The following table provides examples of external borrowing costs as provided by the Public Works Loans Board as at 9<sup>th</sup> October 2018:

	Equal Instalments of Principal		Annuity		Maturity	
	Previous 18Jul18	Current 09Oct18	Previous 18Jul18	Current 09Oct18	Previous 18Jul18	Current 09Oct18
	%	%	%	%	%	%
5-5.5 years	1.78	1.84	1.78	1.84	1.98	2.11
10-10.5 years	1.98	2.11	1.99	2.12	2.35	2.52
20-20.5 years	2.35	2.52	2.38	2.55	2.70	2.55
35-35.5 years	2.66	2.82	2.69	2.85	2.63	2.79
49.5-50 years	2.73	2.88	2.71	2.86	2.53	2.70

### 3. General Fund Treasury Management Budget

3.1 The following table sets out details of the treasury management budget for 2018/19 along with outturn figures for 2017/18. The budget consists of a gross budget for debt charges i.e. repayment of debt principal and interest, and interest returns on investment income.

2017/18 Outturn £'000		2018/19 Original Budget £'000
18,011	Principal and Interest charges	19,203
	<b>Investment Income</b>	
(527)	- Total	(400)
192	- less allocated to other funds	110
<b>(335)</b>	<b>Subtotal Income</b>	<b>(290)</b>
	Contribution from General Reserves	(340)
594	Contribution to/(from) treasury management reserve	
<b>18,270</b>	<b>Net General Fund</b>	<b>18,573</b>

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

## 4. Borrowing

- 4.1 The Council has entered into the following loans since the last report to members, borrowing is undertaken to fund the Capital Programme. In this instance there was a significant dip in interest rates which the Council took advantage of.

Date Arranged	Lender	Amount	Interest Rate	Period (Years)	Type	Maturity Date
25 <sup>th</sup> September 2018	PWLB	£7m	2.63%	39 yrs	Maturity	1 <sup>st</sup> Jan 2058
25 <sup>th</sup> September 2018	PWLB	£2.8m	2.54%	29 yrs	Maturity	1 <sup>st</sup> Jan 2048

## 5. Investment Income

- 5.1 In line with the Council's Investment Strategy, the 2018/19 original budget for investment income is £400k, actual investment income for the financial year to date totals £316k. It continues to be a challenge to generate investment income with rates showing little improvement since the August bank rate rise.

Members should note that the majority of investments are classified as 'specified' i.e. up to 12 months and are currently deposited with Local Authorities, UK banks including, Lloyds Group, Close Brothers and Santander Bank.

- 5.2 The Council policy will allow investments up to a maximum of £25m for periods of more than 1 year and up to 5 years, and this will be considered when decisions on investing surplus funds are made. The Council has no such investments.

### Financial Impact

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

### Equality Impact Assessment

7. An equality impact assessment was not required for this report.

### **Workforce Impacts**

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

### **Legal Impacts**

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

### **Risk Management**

10. There are no new risk management issues arising from this report. Borrowing and investment decisions are made in line with the Council's Treasury Management Policy. The Council has appointed Link Asset Services to provide support and advice in relation to this policy.

### **Consultation**

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

### **Appendices**

12. None

### **List of Background Papers**

Treasury Management Files  
PWLB Notice Number 394/18

### **Officer Contact**

Mr Huw Jones – Head of Finance  
Tel. No. - 01639 763575  
E-mail - [h.jones@npt.gov.uk](mailto:h.jones@npt.gov.uk)

Mr Ross Livingstone – Group Accountant – Capital and Corporate  
Tel. No. - 01639 763624  
E-mail – [r.livingstone@npt.gov.uk](mailto:r.livingstone@npt.gov.uk)



## NEATH Port Talbot COUNTY BOROUGH COUNCIL

### Cabinet

31<sup>st</sup> October 2018

### Joint Report of the Director of Finance and Corporate Services and the Assistant Chief Executive and Chief Digital Officer

H. Jenkins and K. Jones

#### Matter for Decision

**Wards Affected:** All Wards

#### Third Sector Grants Scheme

#### Purpose of Report

1. To report the results of consultation carried out on proposed changes to the Third Sector Grant Scheme to the Cabinet.
2. To seek approval from the Cabinet to a revised Third Sector Grants Scheme.

#### Executive Summary

3. Following a fundamental review of grant funding to the Third Sector, a new Grants Scheme was co-produced by the Council and Third Sector representatives. The Scheme became operative April 2016.
4. The Scheme was modelled on principles agreed by Welsh Government and the Third Sector but shaped to reflect the priorities of the Council and the general economic conditions.
5. Grants awarded under the Scheme have been for 12 month periods or 3 year periods. Grants provided for 3 years were to partners the Council identified as Strategic Partners – these include important community anchor organisations as well as Shop Mobility, Citizens Advice Bureau and DANSA.
6. As those three year agreements will expire at the end of this financial year (2018/19) it was timely to review the Scheme to make sure it

continues to be aligned with the Council's priorities as expressed in the Corporate Plan 2018-2022.

7. The proposed changes to the Scheme were consulted upon for a 12 week period in line with the commitments expressed in the Compact that governs the partnership between the Council and the Third Sector.
8. This report sets out the feedback received from those who responded to the consultation and makes final proposals to the Cabinet for changes to the Scheme to be effective from 1<sup>st</sup> April 2019.

### **Proposed changes subject to consultation**

9. The Council's Corporate Plan 2018-2022 sets three well-being objectives, associated priorities for improvement and the programme of work that will be put in place to deliver on those commitments. The Plan also highlights the significant impact of continued reductions to local government funding. The Council's strategy to bridge the funding gap in front of it includes:
  - a. Significantly extending the **Digital Strategy**, increasing the take up of digital channels and correspondingly reducing activity in more traditional and expensive face to face, telephone or traditional mail channels;
  - b. Increasing **income** from existing and new sources, especially in respect of services that the Council provides under discretionary powers rather than under statutory duties; and
  - c. Changing the way that the Council works with residents and **communities**, seeking to encourage more people to look after their own well-being for longer and through targeting early intervention and prevention services towards people identified as in need of additional support. A key component of this approach will include building social capital within communities, particularly by encouraging the development of services by the Third Sector.
10. As a result of the change in emphasis within the Council's Corporate Plan, it is important that the criteria for Grant funding is amended.

11. The consultation sought feedback on a proposal to add an additional criteria to Principle 1 in the Scheme as follows:

**“Reduce demand on Council Services** – this could be done in a variety of ways, including promoting and assisting citizens to use the Council’s digital services rather than through more traditional channels (such as face to face or by telephone); promote participation in discretionary services to increase footfall, increase revenues or reduce subsidy (for example the Council’s theatres, parks and other charged-for services); or through offering early intervention and prevention activities that maintain or improve people’s well-being; **and/or”**

12. The consultation also sought views on whether the current allocation of grant to Strategic Partners would also benefit from review. At present, of the circa £400,000 available each year, £297,000 per annum (adjusted each year in light of Welsh Government revenue settlements) is allocated to Strategic Partners through a three-year grant agreement. The Strategic Partners currently include:

- i. Canolfan Maerdy;
- ii. Citizens Advice Bureau;
- iii. Dansa Transport;
- iv. DOVE Workshops;
- v. Glynneath Training Centre;
- vi. Neath Port Talbot Council for Voluntary Services;
- vii. NPT Shop Mobility; and
- viii. Ystalyfera Development Trust.

13. As part of any future core funding arrangement, the consultation sought views on a proposal to develop a clearer specification of the benefits the Council might expect for its continuing investment. As well as locally relevant services that reflect the unique needs of the communities/citizens that access the organisations, it was proposed that the Council might also expect organisations to:

- a. Promote the take up of the Council’s on-line services through the Switch brand and help people to access those on-line services (digital assist support);

- b. Encourage participation in Council and local community-run events to support well-being;
  - c. Leverage in additional funding;
  - d. Promote the Council's Community Directory (Dewis) so that there is a good understanding of all the services that are available within the local area and how to access them;
  - e. Encourage the identification and development of local early intervention and prevention services and facilitate access to those services;
  - f. Support, inform and promote the Council's priorities;
  - g. Contribute to engagement and communications campaigns to improve understanding within communities of the Council's priorities and services;
  - h. Where appropriate, provide a physical space that can facilitate co-location of workers from across the public service to provide more integrated services that respond to the needs of local people and communities.
14. It was considered that re-focusing the Grant in this way will complement the proposals that are to be brought forward in support of asset-based community development.

## **Consultation**

15. Consultation commenced on 16<sup>th</sup> May 2018 and concluded on 15<sup>th</sup> August 2018.
16. There were a number of approaches taken to the consultation:
- The proposals were discussed at the Voluntary Sector Liaison Committee held in May 2018;
  - A meeting was held with all of the current strategic partners;
  - Face to face meetings were held with each of the strategic partners to discuss their own plans for sustainability and the use

made of existing core funding;

- An opportunity to respond to the consultation on-line was made available;
- Neath Port Talbot Council for Voluntary Services promoted the consultation and held a consultation event for third sector organisations;
- The consultation was promoted on the Council's social media accounts and by way of press release; and
- A small number of responses were received by e mail (to provide additional information that was not possible through the on-line questionnaire).

17. 20 responses were received, which included a composite response from the Neath Port Talbot Council for Voluntary Services following the consultation event for third sector organisations held by them.

### **Summary of Consultation Responses**

18. The following paragraphs summarise the main points made by respondents:

- a) **Funding duration** – all respondents who commented on the changes introduced by the Third Sector Funding Scheme in 2016 commented positively on the ability to apply for funding for up to three years. Respondents identified the importance of funding security to give confidence to other funders but also for their own organisational business planning and sustainability;

**Officer response:** the Scheme should retain the opportunity for all organisations to bid for funding for up to three years.

- b) **Payment in advance** – all respondents who commented on the move to advance payments based on a direct debit method felt this was a feature to retain, citing the reduction in administrative overhead and improved cashflow as particular benefits of this feature of the Scheme;

**Officer response:** the Scheme should retain the commitment to advance payments based on a direct debit arrangement.

- c) **Monitoring arrangements** – all respondents who commented on the revised monitoring arrangements felt that the arrangements were proportionate and appropriate, but one respondent suggested that there could be further work done to capture outcomes arising from the grant award more clearly;

**Officer response:** the monitoring arrangements should be retained on a broadly similar footing but some work could be done with grant recipients to improve the reporting of outcomes delivered by the grant funding

- d) **Recognition of strategic partners** – there were a number of positive comments received in relation to the recognition of some organisations as strategic partners. These included:

- Improved engagement with the Council to influence key developments;
- Encouraging collaboration between organisations rather than competition; and
- Contributing to the strengthening of the Voluntary Sector Liaison Forum and the development of a shared work programme based on mutually agreed priority areas.

There were also a number of other issues raised by respondents including:

- The spatial distribution of strategic partners. It was suggested that some areas have no “strategic partners” even though the communities had high levels of need;
- One respondent suggested that strategic partners should, amongst other things, be organisations who can provide services across the whole county borough;
- One respondent queried whether the Scheme supported long term change, suggesting that the Scheme is currently geared towards supporting immediate problems; and

- Another respondent expressed concern that funding of strategic partners may be to the detriment of other third sector organisations.

**Officer response:** it is considered that there are additional benefits that can be delivered through the Scheme where the Council has a longer term relationship with organisations. To bring more clarity to the definition of a Strategic Partner it is suggested that this be defined as an organisation who is awarded funding for a three year term.

In terms of the spatial distribution of Strategic Partners, the Scheme does not prevent any organisation from any locality in making an application for grant funding for a three year period. Given the current spread of Strategic Partners, particular efforts to ensure the Scheme is promoted in the Port Talbot area will be made as part of implementation arrangements. All applications will be considered on their merit.

In terms of the balance between short and long term impacts, in practice there will need to be balance between meeting needs now for those people at a point of crisis whilst also investing in long term community capacity building initiatives. The officer advice provided on applications submitted for the 2019/20 period will enable Members to determine where best to target the Council's investment.

Note: 3year funding is only available in the 2019/20 round of applications.

- e) **Inclusion of a new criteria “reducing demand on Council services”** ( see paragraph 11)- respondents agreed that it was appropriate for this to be incorporate into the Scheme. The role the Third Sector does and could play in reducing demand through early intervention and prevention and by providing help to people in crisis was commented on with examples provided as evidence. All respondents commented on the continuing climate of austerity and many acknowledged the challenges the Council faces in responding to this. Some suggested that there could be scope to increase the role of the sector further, including providing funding for start-ups as well as providing funding for existing third sector organisations.

**Officer response:** There were no objections received to this proposal and most respondents commented positively on the proposal. In terms of the need to fund start-ups, it is suggested that this could be an area to explore, beyond the scope of this particular consultation exercise as part of the Council's wider work on asset - based community development.

- f) **Core Funding Expectations** – the consultation proposed that where the Council is awarding core funding through the Scheme, there could be a clearer specification of what the Council would wish those organisations to do to support the Council's priorities. In general the list of activities set out in the consultation were activities that organisations could support but one respondent asked that there was some flexibility in how this might be achieved to reflect the different capabilities of the various organisations. There were a number of positive suggestions on ways in which the Council's relationship with strategic partners could be developed in this respect including:
- a. Investing in early intervention learning programmes in the natural environment;
  - b. Promoting the Council's priorities and services through agency social media and e mail signatures on specific initiatives;
  - c. Assisting residents to use the Council's on-line services;
  - d. Making physical space available for workers across the public sector to provide more integrated services for local people (but see comment on room hire below);
  - e. Making physical space available to enable people from the community to come together, supporting their well-being and enabling people to feel less lonely/isolated;
  - f. Providing transport to enable a wide range of people to access community activities and services;
  - g. Promoting the Council's priorities and services through a community information point; and
  - h. Providing access to ICT.



**Officer Response:** there is broad support for the list of areas where the Council would welcome support from partners as a condition of the awarding of grant for a three year period. The areas listed provide added value to the core offer of the organisations. It is considered that the areas are sufficiently broad to provide the sector with flexibility as to how this could be achieved in practice, with a number of respondents already identifying creative ways in which they could engage with this proposal. Where the Council has been specific, that is for good reason. For example, the Dewis system is seen as one of the foundation stones for developing asset-based community development. It also satisfies part of the new statutory duty on social services to operate an Information, Advice and Assistance Service.

- g) **Quantum of funding allocated to strategic partners** – the Council has reduced the quantum of funding for strategic partners by the same proportion as that applied to the Council's Revenue Settlement year on year. Respondents were encouraged to explain how they have managed these reductions to inform the Council as to where its next investments through the Scheme might be targeted:
- i. Generally, core funding is applied to staffing and in a small number of cases to overheads. Many funders will not cover core costs, only costs that can be directly attributed to projects. Consequently, the reduction in funding for core costs has been challenging in most cases with the salaries of key staff either being frozen, hours available being reduced or some jobs being made redundant. It is important to note that these post holders are often the staff who undertake the main fundraising and service development activities within the agencies. This has meant that organisations have found it even more challenging to secure sufficient funds to ensure sustainability and in one instance attempts to replace the existing manager who is due to retire have failed.
  - ii. All organisations have needed to fundamentally revisit their business plans to adjust to the changed environment with some already some way forward in changing their services and some at a transition point. Services requiring a

subsidy have either been closed, moved into a different model, or there is active consideration taking place as to alternative options to secure the longer term sustainability of the organisation.

**Officer response:** there is a case to argue that there is an uplift to the Council's contribution to core costs of the organisations who receive three year funding in 2019/20 to ensure there is sufficient capacity in those organisations to ensure their sustainability and to work with the Council to build social capital. This will inevitably mean that there will be less funds available in the short-medium term to support other projects. This can be mitigated by providing other help either through the Council for Voluntary Services who have this function as one of their core roles, or with the assistance of Council officers where this is appropriate.

h) **Other Matters** - while the focus of the consultation was on the changes proposed to the Scheme, other areas where joint working could be mutually beneficial were raised during the consultation:

i. **Volunteering** – a number of organisations identified difficulties in recruiting sufficient volunteers.

**Officer comment:** This has been raised with the Director of the Neath Port Talbot Council for Voluntary Services who will respond to the specific points raised. Additionally, it is proposed that the Council could encourage volunteering by placing volunteering opportunities on its own vacancy bulletin, incorporating volunteering opportunities into voluntary redundancy processes but also in considering a broader volunteering policy. This approach could also be replicated across Public Services Board organisations;

ii. **Digital** – the sector responded positively to the proposal that third sector partners would actively promote the on-line services that the Council is creating. It was also identified that the Council could share some of its expertise/provide access to training and learning opportunities to assist the sector in exploiting the

opportunities of e-marketing and on-line fundraising opportunities;

**Officer response:** it is proposed that this issue be included in the work already agreed by the Voluntary Sector Liaison Committee to tackle digital inclusion.

- iii. **Community Benefit clauses** – it was suggested that the Council could give consideration to how the Third Sector might be included in community benefit clauses.

**Officer response:** The Voluntary Sector Liaison Committee is already examining arrangements for procurement with the Third Sector and this can be included in the remit for that work.

- iv. **On-line tendering** - a number of respondents were interested in bidding for service contracts to aid sustainability. Helping organisations to use the on-line tendering systems was identified as one of the ways in which the sector might be able to improve sustainability;

**Officer response:** this issue can be explored through the work being undertaken through the Voluntary Sector Liaison Committee on digital inclusion and procurement.

- v. **Local Area Co-ordinators and Asset Based Community Development** – respondents were positive about the commitment contained in the Corporate Plan to working with communities in different ways. They identified considerable experience of working in this way and are keen to share this expertise with the Council as the approach to asset-based community development is taken forward. It was also suggested that Local Area Co-ordinators work from the existing community anchor organisations rather than set up alternative arrangements which could undermine work to secure sustainability. Additionally, some respondents highlighted that they had become involved in meeting the needs of some service users following closure of the day services by the Council. This is impacting on opportunities to generate income for the organisations concerned;

**Officer response:** the issues raised can be explored through the asset- based community development work that is being progressed through the Voluntary Sector Liaison Committee

- vi. **Child Care Offer** – this was seen by those who provide a child care service as a potential opportunity and respondents indicated a wish to be fully involved in the plans to roll this strategy out across the county borough.

**Officer response:** the Leader of Council and Chief Executive have already given a commitment to working with existing providers to ensure a smooth and effective roll-out of the Child Care Offer.

### **Financial Appraisal**

- 19. This proposal seeks to ensure that the Third Sector Grants Scheme continues to reflect the priorities set out in the Council's Corporate Plan and offers value for money.

### **Integrated Impact Assessment**

- 20. The full Integrated Impact Assessment is set out at Appendix 2 and has been updated to reflect the consultation responses and conclusions. The proposal is to proceed with the changes that were subject of consultation to also progress a range of other issues highlighted that will help to strengthen capacity within the voluntary sector.

### **Workforce Impact**

- 21. These proposals have limited impact on the Council's workforce.

### **Legal Powers and Duties**

- 22. The Council has powers to offer grants to the Third Sector by virtue of the Local Government Act 1972. The Third Sector Scheme has already been updated to reflect new duties set out in the Well-being of Future Generations (Wales) Act 2015.

## **Risk Management**

23. Without review, there is a risk that important Third Sector organisations will be unable to demonstrate how they can contribute to the Council's new priorities with the prospect of losing opportunity to build on the strong partnership that has existed over many years and the benefits those organisations have been delivering for local communities in relation to services: additional funding; employment; access to learning as well as providing a voice for those local communities.

## **Recommendations**

24. That the revised Third Sector Grant Scheme set out Appendix 1 be approved.
29. That Members support the principle of allocating a higher proportion of the funds available to support the sustainability of strategic partners, the detail to be determined by Members once applications are received and analysed.
30. That the Neath Port Talbot Council for Voluntary Services is asked to respond to the consequential impact arising from the recommendation set out at paragraph 29 for those organisations that may be adversely affected by prioritising investment in Strategic Partners. That the CVS be asked to provide assistance to other third sector organisations to seek out other fundraising opportunities which can include seeking assistance from Council officers.
31. That the Council provides an opportunity to third sector organisation to advertise volunteering opportunities through its vacancy bulletin and through its Voluntary Redundancy Scheme.
32. That officers be asked to explore the business case for adopting a volunteering policy for the Council's workforce.
33. That the other issues raised in this report, set out in paragraph 18 (h) are formally raised in the Voluntary Sector Liaison Forum with a view to the issues being incorporated into the existing work programme of the Forum as proposed in this report.

34. That the Director of Finance and Corporate Services and the Assistant Chief Executive and Chief Digital Officer be authorised to implement the decisions of the Cabinet.

### **Reason for Proposed Decision**

35. To ensure the Third Sector Scheme is aligned with the Council's Corporate Plan 2018-2022.

### **Implementation of Decision**

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

### **Appendices**

37. Appendix 1 – Neath Port Talbot Third Sector Grant Funding Scheme (revised)
38. Appendix 2 – Integrated Impact Assessment

### **Background Papers**

39. Welsh Government: Our Valleys – Our Future (November 2017)
40. Policy and Resources Cabinet Board (23 July 2015) – Policy Review – Third Sector Grants
41. Cabinet (16<sup>th</sup> May 2018) – Third Sector Grants Scheme

### **Officer Reporting:**

42. Hywel Jenkins – Director of Finance and Corporate Services, Tel: 01639 763521 e-mail: [h.jenkins@npt.gov.uk](mailto:h.jenkins@npt.gov.uk)
43. Karen Jones, Assistant Chief Executive and Chief Digital Officer, Tel: 01639 763284 e-mail: [k.jones3@npt.gov.uk](mailto:k.jones3@npt.gov.uk)

## **Neath Port Talbot Third Sector Grant Funding Scheme**

### **Introduction**

During 2013, the Council undertook a review of existing grants to third sector and community sector organisations in Neath Port Talbot. As well as making recommendations as to where funding could be reduced in order to achieve Council savings targets, the review identified a number of recommendations to improve the way in which grants are administered. These were approved by the Council's Policy & Resources Scrutiny Committee on 13<sup>th</sup> December 2014.

In January 2014, the Welsh Government published their revised Third Sector Scheme. The Welsh Government Scheme underpins the relationship between Welsh Government and the Third Sector in Wales and discharges duties under section 74<sup>1</sup> of the Government of Wales Act 2006.

This Neath Port Talbot Scheme has been developed to take forward the recommendations in the 2013 Council review. It has been developed using the principles set out in the Welsh Government's Scheme reflecting Welsh Government's expectation that councils will embrace good practice in their relationships with the Third Sector.

### **Aims**

Neath Port Council has had a long and productive relationship with the Third Sector. The Council has grant funded Third Sector organisations to support our communities in a wide range of ways. The Council recognises and values the contribution of the many volunteers and third sector organisations that play an important role in supporting the wellbeing of local people and communities.

<sup>1</sup> In this Section, Welsh Ministers are required to make or review a voluntary sector scheme which sets out how they propose to promote the interests of relevant voluntary organisations'

However, times have and continue to change. The severe and enduring cuts to local authority budgets mean we must target available funds in a manner that supports the Council's priorities. Indications are that austerity measures will continue at least into the medium term. Grant assistance arrangements must reflect this.

This Scheme aims to:

- Make the grant funding process clear, transparent and equitable;
- Ensure the administrative arrangements that support grant funding efficient and effective; and
- Foster genuine partnership working between the Council and the Third Sector to promote the wellbeing of local people and communities.

## **Scope**

This Scheme covers:

- Grant funding provided from the Council's own revenue resources, except for those funds provided from the Member Community Action Fund; and
- Grants of benefits "in kind" e.g. rent-free/discounted rent periods granted to organisations in the Council's property portfolio.

Grants distributed from Welsh Government directly to the third sector by way of specific grant are governed by the Welsh Government Third Sector Scheme, the principles of which are reflected in this Scheme.

This scheme does not cover grants provided to the Council by other parties as the specific conditions of those grants would need to be applied.

## **Definition of the Third Sector:**

The Council has adopted the definition provided in Section 74 of the Government of Wales Act for the purpose of this Scheme:



“...bodies other than local authorities (or other public bodies) whose activities:

- are carried on otherwise than for profit; and
- directly or indirectly benefit the whole area or any part of Neath Port Talbot

The Council acknowledges that this definition covers a very diverse range of organisations that share a set of values and characteristics which include:

- Independent, non-governmental bodies;
- Bodies established voluntarily by people who choose to organise themselves;
- Bodies which are “value driven” and motivated by social, cultural or environmental objectives, rather than simply to make a profit; and
- Bodies committed to reinvesting their surpluses to further their social aims and for the benefit of people and communities.

Third Sector organisations include community associations, self-help groups, voluntary organisations, charities, faith-based organisations, social enterprises, community businesses, housing associations, development trusts, co-operatives and mutual organisations.

### **Grant Funding – Commissioning Arrangements**

The Council wishes to adopt an outcomes-based approach to the way in which it determines its grant funding arrangements. It will be the intended results of activity to be grant funded, not the activity itself that will be the key consideration in determining whether the Council will provide grant assistance, subject to the Council being provided with sufficient assurance on associated governance arrangements.

Grants can provide financial support to third sector organisations to enable them to undertake activities the Council wish to support. They may be aimed at assisting with the core costs of running and developing an organisation or more specifically to help it carry out a particular project or service. Generally, the Council will consider awarding a grant where organisations undertake activities that support the Council’s

policies and priorities. Where the Council wishes to obtain goods or services for direct benefit or use then the Council would expect those arrangements to operate under the Council's procurement policies and procedures.

The Council will set out its priorities on an annual basis as part of its corporate planning cycle. Grant assistance will be administered in accordance with the principles set out in this Scheme. Grants may be awarded for up to three years

Applications for grant assistance will need to be made via a standard form that will be publicly available and published on the Council's website. Any timetable for submitting and agreeing grants will also be set out on the website. The Council will provide the contact details of officers who can offer support and advice to organisations who may be considering making a grant application. Where a funding bid is complex, organisations are encouraged to discuss their proposed bid prior to submitting an application. The Council will formalise grant assistance through a legally binding grant agreement. The agreements will contain standard grant conditions to promote consistency and fairness and to minimise administrative costs for all parties. Where the Council decides not to award grant assistance, the Council will provide written feedback to the applicant, summarising the reasons why the grant application has been refused. There will be no right of appeal against the Council's decisions.

### **Review and Monitoring**

The Deputy Leader of the Council is the portfolio holder for relationships with the Third Sector and ultimately responsible for this Scheme. The Senior Officer responsible for the Scheme is the Director of Finance and Corporate Services. This Scheme will be used by all departments of the Council. Its operation will be monitored by the Voluntary Sector Liaison Committee and reviewed no less frequently than every three years.

# Neath Port Talbot Third Sector Grant funding Scheme

## Principles

The key principles that will govern our approach to grant funding the Third Sector and what is expected from the Third Sector in return are set out in this section.

<b>Principle 1 – Supporting Council policies and priorities</b>
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**i) Demonstrate contribution to the delivery of key priorities**

Grant applications will need to demonstrate how proposals will support the delivery of the Council's policies and priorities. These are summarised in Council's Corporate Plan, associated well-being objectives and other priorities; **and**

**ii) Reduce demand on Council Services** – this could be done in a variety of ways, including promoting and assisting citizens to use the Council's digital services rather than through more traditional channels (such as face to face or by telephone); promote participation in discretionary services to increase footfall, increased revenues or reduced subsidy (for example the Council's theatres, parks and other charged-for services); or through offering early intervention and prevention activities that maintain or improve people's well-being; **and/or**

**iii) Lever in additional resources (multiplier effect)**

Applications that demonstrate how Council funding will be used to lever in additional financial resources in support of Council policies and priorities are particularly welcomed; **and**

**iv) Sustainable organisations**

Applicants will need to demonstrate financial sustainability. The Council will wish to be satisfied that the applicant is not dependent on continuing Council funding to achieve financial sustainability.

## **Principle 2 – Respect for the Sector’s independence**

The Council recognises Third Sector organisations are value driven, motivated by social, cultural or environmental objectives and committed to reinvesting their surpluses to further their social aims and for the benefit of people and communities. The Council respects the sector’s independence.

The Council acknowledges and encourages the Third Sector’s ability to raise funding through non-statutory routes and deliver services that complement or are additional to those provided by statutory agencies and which, in particular, operate to prevent or reduce demand on public services.

## **Principle 3 – Early and constructive dialogue**

The Council is committed to early discussions with the Third Sector to support a strategic approach to delivering key priorities and to allow for better planning of services. The Council will seek to provide opportunities to discuss applications well in advance of the formal application deadline.

It is expected that in return, the Third Sector will engage constructively in this dialogue and respect the limitations on dialogue imposed by the need to ensure fairness and transparency in respect of grant funding decisions.

## **Principle 4 – Timely decisions**

The Council recognises that early decision making in respect of funding can support better business and workforce planning. The Council’s commitment is the notification of decisions about future funding at least three months prior to the expiry of an existing funding agreement or the start of a new agreement. Where funding has been granted for more than one year, a review will be completed 3 months before the commencement of the second or third year to confirm funding will

continue. If an offer in principle has been made, this must also be confirmed three months prior to the expiry of the current funding.

#### **Principle 5 – Security of funding**

In a climate of reducing resources and escalating need, security of funding is an issue felt across all sectors. The Council acknowledges that sometimes short term funding can cost more administratively and will be prepared to consider longer term funding commitments wherever possible to minimise administration costs. The Council will be prepared to provide funding for up to 3 years which will provide Third Sector organisations with the security to apply for funding from other sources and enable a longer term approach to planning and securing sustainability.

#### **Principle 6 – Fair funding levels**

It is reasonable to expect that funding pressures placed upon local authorities will be reflected in the level of grant funding available to the Third Sector. Therefore, where the Council has granted funding for more than one year, the amount of grant available in each year of the agreement will vary to reflect the financial settlement the Council receives from the Welsh Government. The Council will generally seek to notify organisations of the uplift or reduction to be applied by 31<sup>st</sup> December each year. The level of funding agreed will be subject to review at the end of each financial year to reflect the overall level of resources available to the Council for the ensuing period.

#### **Principle 7 – Value for money**

Tax payers' money must be used economically, efficiently and effectively. The Council aims to achieve the best possible level of outputs and outcomes of acceptable quality at the lowest cost. Third sector organisations who receive grant assistance are expected to

ensure the economic, efficient and effective use of public money. Applications and associated monitoring arrangements will need to demonstrate:

- i. The need for intervention
- ii. The purpose to which funding will be put
- iii. The outputs and outcomes to be achieved
- iv. Other sources of funding accessed
- v. How activities will be evaluated
- vi. Financial probity and sustainability

**Principle 8 – Full Cost Recovery**

The Council acknowledges the principle of full cost recovery. The Council recognises that other funders sometimes render certain expenditures ineligible and the award of grant assistance from the Council may be sought to complete a funding package.

**Principle 9 – Commissioning Principles**

Grant arrangements will be outcomes focused linked to the Council's policies and priorities which will be summarised in the Council's Corporate Plan.

**Principle 10 – Payments**

The Council will make grant payments in advance (i.e. before the grant recipient has incurred the expenditure) as it recognises that most Third sector organisations do not hold large reserves and do not have the resources available to undertake work and receive payment afterwards. The payment will be made after the commencement of the relevant financial year. The frequency and timing of payments will be set out in the grant agreement. Electronic payment is preferred to minimise

administrative burdens on both the Council and Third sector organisations.

**Principle 11 – Fair and Reasonable Treatment**

This Scheme commits the Council to consult openly and meaningfully with the Third Sector on changes to this Scheme and associated arrangements. The Council will aim to provide a minimum period of 12 weeks consultation period where changes to the Scheme and its associated arrangements are proposed. Additionally, the Council will aim to provide 12 weeks' notice before changes are made to the Scheme or decisions are made which would lead to a withdrawal or significant reduction of grants.

In return, Third Sector organisations are asked to cooperate fully during this consultation / notice period and use it as an opportunity to positively contribute to the discussion with departments or policy / service areas.

The Council upholds the need for clarity in what is being funded by defining and agreeing outcomes with recipients of funding. These outcomes should be set out transparently in the funding agreement to ensure fair and reasonable treatment of organisations and shared and agreed expectations for service delivery.

**Principle 12 – Joint approach to monitoring, evaluation and audit**

The processes of monitoring and evaluation must be consistent, proportionate and reasonable. The Council will set out the details for monitoring and evaluation in procedural guidance and in its grant agreements. The Council expects its internal audit service to have access to documents and information (including access to interview senior officers and board members) relating to monies provided by the Council. Recipients of funding agree to give assistance, information and explanation to the internal audit service or such other officers as the Council may so require as a condition of funding.

### **Principle 13 – Identifying Expertise and Developing Capability to Deliver**

The Council is committed to working with the Third Sector to identify areas of expertise and to support organisations and individuals to take the lead in or contribute to the implementation of new policies. The Council welcomes applications for grant funding that build capacity and capability within the Third Sector across Neath Port Talbot to secure the sustainability of services.

### **Principle 14–Diversity and Equality**

The Council recognises the diverse needs of people and communities across Neath Port Talbot and the variety of services required to meet these needs. Diversity in this context is about maintaining a range of accessible services to meet a variety of individual and collective needs; locally based and run services, as well as larger services; and different models of services to meet different needs.

The Council is required under the Equalities Act 2010 to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations amongst and between people of different protected groups.

The Council is also committed to promoting the Welsh Language and culture and to support the Welsh Government's policy objectives of increasing the number of people who speak Welsh on a daily basis.

Third Sector organisations will be expected to demonstrate in their applications how they promote both diversity and equality in the planning and delivery of their services.

### **Principle 15– Innovation**

The Council is committed to working with the Third Sector to identify innovative practices that improve the delivery of public services, including where appropriate, exploring new funding models.



**Principle 16– Good Governance and Due Diligence**

The Council will apply good governance and due diligence in the way it administers this Scheme and expects Third Sector grant recipients to demonstrate good governance and due diligence both in the application process and through monitoring arrangements. The Council will seek specific assurances about governance arrangements, including the development accessed by trustees or directors during the application process and in any annual review process.

**Principle 17– Monitoring the Scheme**

The Voluntary Sector Liaison Committee will provide the mechanism for joint monitoring of this Scheme. The Council commits to reviewing this Scheme no less frequently than every 3 years.

Integrated Impact Assessment (IIA)

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

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

Version Control

Version	Author	Job title	Date
Version 1	Karen Jones	Asst Chief Executive and Chief	April 28 <sup>th</sup> 2018
<b>Version 2</b>	<b>Karen Jones</b>	<b>Asst Chief Executive and Chief</b>	<b>September 2018</b>

**1. Details of the initiative**

	Title of the Initiative: Third Sector Grant Funding Scheme - Review
1a	Service Area: Partnerships
1b	Directorate: Chief Executive's Office
1c	Summary of the initiative: This is a review of the Council's Third Sector Grant Funding Scheme to ensure it continues to be aligned with the Council's priorities
1d	Who will be directly affected by this initiative?

	Third sector organisations who decide to apply for grant from the Council
1e	<p>When and how were people consulted?</p> <p>Representatives of the third sector were involved in developing the current Scheme. The proposal is to consult the third sector, starting with the Voluntary Sector Liaison Committee at the end of May to honour the commitment built into the Scheme that any changes would be subject to a 12 week consultation (minimum)</p> <p><b>Update September 2018 – a meeting was held with all third sector organisations in receipt of a three year grant agreement and this was followed up by one-to-one discussions with most of those organisations. NPT CVS also facilitated a response from the wider sector to the consultation. An on-line questionnaire was made available to encourage responses and this was promoted through the Council’s channels and the NPT CVS channels.</b></p>
1f	<p>What were the outcomes of the consultation?</p> <p>To be undertaken between May 23<sup>rd</sup> and August 15th 2018</p> <p><b>Update September 2018 – broadly the proposed inclusion of the new criteria to reduce demand on council services was supported. There was also continued support for the core Scheme. There were some individual comments about the geographic spread of organisations receiving three year funding and some suggestions as to where funding could be targeted for longer term benefit. These are principally issues to be addressed through the application process rather than requiring amendment to the Scheme itself, or they are matters that are being/could be progressed through the Voluntary Sector Liaison Committee</b></p>

## 2. Evidence

What evidence was used in assessing the initiative?

The current Scheme was based on research that had been undertaken by Welsh Government as to principles that would be appropriate to apply to grant assistance. Local third sector representatives felt that it was important to embrace the same set of principles at the local level. A literature review was also undertaken of similar schemes across the rest of the United Kingdom.

**For this review, an assessment of the content of the Council’s new Corporate Plan has been undertaken and the priorities of the new Council compared to the existing Scheme criteria. Furthermore, the conclusions reached by both the Ministerial Taskforce for the Valleys and the emerging findings of the local task and finish group suggest that the future relationship with community anchor organisations should be explicitly reconsidered as part of the review.**

3. Equalities

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

Protected Characteristic	+	-	+/-	Why will it have this impact?
Age	+			Current grant allocations provide support for people of all ages. The proposed amendments to the Scheme would require applicants to identify how they support the new corporate well-being objectives - two of which specifically relate to age
Disability	+			Current grant allocations provide assistance to people with disabilities – for example the Shopmobility Scheme assists in providing a service to people with mobility impairment; the allocation to the Citizens Advice Bureau enables people with a range of disabilities to receive support to access services and funding to which they are entitled. The Council’s new corporate well-being objectives and the related priorities make clear that Council wishes to continue to meet the needs of disabled people. The proposed revision to the Scheme would provide for this to be taken into account when recommending grant awards to elected Members
Gender reassignment		?		It is unclear whether existing allocations support people with this characteristic. The Scheme does not exclude applications from organisations who would wish to benefit people with this characteristic and makes a clear commitment to promoting and supporting diversity and equality
Marriage & civil partnership		?		It is unclear whether existing allocations specifically benefit people who are married or in civil partnerships. Applications have generally not had a specific focus on this characteristic but the current awards and proposed future Scheme would not exclude these groups from benefiting
Pregnancy and maternity	+			Current grant allocations support organisations who offer a childcare provision. The new corporate well-being objectives underline the importance of supporting children in their early years. Future grant applications will be assessed as to the contribution that will be made to the Corporate Plan and associated priorities if the revisions to the Scheme are approved
Race	+			Current grant allocations have helped to create the BME Community Association. There is a strong commitment within the Scheme to promoting and supporting diversity and equality

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Religion or belief	+			Current grant allocations have helped to create the BME Community Association. There is a strong commitment within the Scheme to promoting and supporting diversity and equality. There is a need to consider how the Council works with the wider faith sector
Sex	+			Current grant allocations provide support for people of all genders. The proposed amendments to the Scheme would require applicants to identify how they support the new corporate well-being objectives - there is an emphasis on combating gender-based violence in the Corporate Plan.
Sexual orientation		?		It is unclear whether people with this characteristic benefit from current allocations. There is a clear commitment in the Scheme to supporting and promoting diversity and equality
What action will be taken to improve positive or mitigate negative impacts?				
<p>Monitoring information received from providers needs to be amended to capture the wider set of characteristics, however, this needs to be proportionate to the expenditure involved</p> <p>The way in which this might be done could be subject of consultation with the sector as part of the Scheme review</p> <p>There is an action in the Strategic Equality Plan to widen relationships with the faith sector so no additional actions are proposed as part of this report.</p> <p><b>Update September 2018- there was no objection received from respondents to amending monitoring arrangements to demonstrate the extent to which grant funding helps to deliver the Council's equality duties, provided that, where small numbers are involved monitoring does not breach the individual's right to privacy.</b></p>				

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

Public Sector Equality Duty (PSED)	+	-	+/-	Why will it have this impact?
To eliminate discrimination, harassment and victimisation	+			The Scheme makes a clear commitment to promoting and supporting equality and diversity, not just in terms of characteristics protected in law but on other grounds eg poverty

To advance equality of opportunity between different groups	+			The Scheme makes a clear commitment to promoting and supporting equality and diversity, not just in terms of characteristics protected in law but on other grounds eg poverty
To foster good relations between different groups	+			Approximately half of the current allocations support community anchor organisations who support community cohesion. Other allocations promote the integration of other groups into community life.

What action will be taken to improve positive or mitigate negative impacts?
<p>It is proposed that there should be an explicit consideration of the relationship between the Council and community anchor organisations as part of the review of the Scheme</p> <p><b>Update September 2018 – a focus of the consultation was the relationship between the Council and community anchor organisations in respect of grand funding. One of the proposals brought forward following the consultation is for Members to consider the proportion of the grant pot that can be allocated to those receiving core funding for three years, as well as identifying a number of areas that should receive consideration which can be progressed as part of the work on asset based community development – eg room hire, location of local area co-ordinators, sharing training and expertise particularly on the digital agenda. The consequential impact of the closure of day services on small groups of people has also been highlighted and needs to be considered as part of the asset-based community development work.</b></p>

4. Community Cohesion/Social Exclusion/Poverty

	+	-	+/-	Why will it have this impact?
Community Cohesion	+			Approximately two thirds of the current allocations support community anchor organisations who are based within communities and who support community cohesion. There is a strong commitment

				to promoting and supporting diversity and equality within the Scheme
Social Exclusion	+			Most of the grant funding is directed towards people who are disadvantaged in some way. The Scheme underlines the importance of the joint work between the Council and the third sector in meeting the needs of the most vulnerable and disadvantaged
Poverty	+			Income inequality is a factor that is included within the Scheme as the Scheme does not limit work to address inequality and inequity to characteristics protected in law.

What action will be taken to improve positive or mitigate negative impacts?

**Grant applications will need to be evidence based. This will enable the Council to assess where the greatest value/impact will be secured from its grant investment. The consultation has however, highlighted the important role that community anchor organisations continue to play across the county borough and in particular in valley communities.**

5. Welsh

	+	-	+/-	Why will it have this effect?
What effect does the initiative have on: people's opportunities to use the Welsh language			?	It is not known whether current grant funded organisations can provide a service through the medium of Welsh and English. The Scheme has been amended to reflect the Council's commitment to promoting and supporting the Welsh Language

<p>- treating the Welsh and English languages equally</p>			<p>?</p>	<p>It is not known whether current grant funded organisations can provide a service through the medium of Welsh and English. The Scheme has been amended to reflect the Council’s commitment to promoting and supporting the Welsh Language.</p>
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<p>What action will be taken to improve positive or mitigate negative impacts?</p>
<p>Require organisations to be explicit about Welsh Language provision in grant applications and monitoring reports  <b>Update September 2018 – grant monitoring will be amended to capture information about the provision of services through the medium of Welsh</b></p>

6. Biodiversity

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

Biodiversity Duty	+	-	+/-	Why will it have this impact?
To maintain and enhance biodiversity			?	This information is not currently requested from grant aided organisations. By requiring bids to address the Council’s Corporate Plan, the Scheme does incorporate the provisions of the Well-being of Future Generations (Wales) Act 2015
To promote the resilience of ecosystems, i.e. supporting			?	This information is not currently requested from grant aided organisations. By requiring bids to address the Council’s Corporate Plan, the Scheme does incorporate the provisions of the Well-being



protection of the wider environment, such as air quality, flood alleviation, etc.				of Future Generations (Wales) Act 2015
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What action will be taken to improve positive or mitigate negative impacts?
<p>Consideration will be given during the consultation period to the bio-diversity duty and the extent to which it can be met by the amended Scheme or whether additional specific criteria and information should be included.</p> <p><b>Update September 2018 – monitoring arrangements will be amended to reflect the environmental well-being duties on the Council. The application process already provides for organisations to apply for funding indicating the contribution to environmental well-being and the wider corporate plan objectives</b></p>

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### 7. Wellbeing of Future Generations

Ways of Working	Has account been taken/ contribution made?		What impact does the initiative have?			Details
	Yes	No	+	-	+/-	
i. Long term – looking at least 10 years (and up to 25 years) ahead	Y		+Y			The Scheme is required to address the Corporate Plan which embraces the new duties introduced by this Act.
ii. Prevention – preventing problems occurring or getting worse	Y		+Y			

iii. Collaboration – working with other services internal or external	Y		+Y			
iv. Involvement – involving people, ensuring they reflect the diversity of the population	Y		+Y			
v. Integration – making connections to maximise contribution to:	Y		+Y			
Council's wellbeing objectives;	Y		+Y			

What actions will be taken to improve positive or mitigate negative effects?

None identified at this stage

### 9. Monitoring Arrangements

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

All successful applications for grant under this Scheme require proportionate information to be provided on progress. The Scheme makes provision for early termination of grants where there are concerns which cannot otherwise be remedied

10. Assessment Conclusions

Which of the following applies to the initiative?

Conclusion 1	There are no potential problems and all opportunities to maximise contribution to achieving each of the Council’s wellbeing objectives and the Welsh Government’s well-being goals and promote equality have been taken.	Continue as planned with the initiative	Y <input type="checkbox"/>
Conclusion 2	There are potential problems and/or missed opportunities to maximise contribution to achieving each of the Council’s wellbeing objectives and the Welsh Government’s well-being goals and promote equality. Negative impacts/conflicts in meeting other wellbeing objectives must be identified and mitigated.	Make adjustments to remove barriers or better promote equality and continue with the initiative	<input type="checkbox"/>
Conclusion 3	There is potential for negative impacts or missed opportunities to maximise contribution to achieving each of the Council’s wellbeing objectives and the Welsh Government’s well-being goals and promote equality with regard to some groups.	Justification for continuing with the initiative.	<input type="checkbox"/>
Conclusion 4	There is actual or potential unlawful discrimination. It must be stopped and removed or changed.	STOP and redraft the initiative	<input type="checkbox"/>

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### Explanation of Conclusion

- The review of the Scheme is being carried out specifically to ensure that it continues to be aligned with the new Corporate Plan and associated well-being objectives and priorities.
- Following a desktop assessment it is considered that there is a need to make some changes to the Scheme to ensure alignment.
- The consultation exercise will seek to confirm if this conclusion is supported.
- Update September 2018 – the consultation responses indicate broad agreement to the changes proposed to the Scheme. The consultation has also raised broader points related to the Council’s relationship with the third sector which can be progressed through the Voluntary Sector Liaison Committee

### 11. Actions

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

Action	Who will be responsible for seeing it is done?	When will it be done by?	How will we know we have achieved our objective?
Monitoring information received from providers needs to be amended to capture the wider set of characteristics, however, this needs to be proportionate to the expenditure involved	Principal Officer – Policy, Performance and Partnerships	<b>November 2018</b>	Data on the service users who have taken up the services will be available, analysed by protected characteristic
It is proposed that there should be	Assistant Chief Executive and Chief Digital Officer	July 2018	Advice will be provided to Members on what this future relationship could be based on and how this reads

an explicit consideration of the relationship between the Council and community anchor organisations as part of the review of the Scheme			across the the grant funding Scheme <b>September 2018 update – advice set out in this report</b>
Require organisations to be explicit about Welsh Language provision in grant applications and monitoring reports	Principal Officer Policy, Performance and Partnerships	<b>November 2018</b>	Information about Welsh Language provision and activity will be evident in grant applications and monitoring reports
Consideration will be given during the consultation period to the bio-diversity duty and the extent to which it can be met by the amended Scheme or whether additional specific criteria and information should be included	Principal Officer Policy, Performance and Partnerships	July 2018	There will be specific advice in the final proposals as to whether there is a need to modify the Scheme, or not to embrace the biodiversity duty <b>September 2018 update – this is already catered for in the application process but monitoring arrangements will need amendment to capture the bio-diversity impacts</b>
Undertake consultation with the third sector and other stakeholders. Review proposed changes in light of consultation findings.,	Assistant Chief Executive and Chief Digital Officer	August 2018	The outcome of consultation is documented and final proposals show how consultation responses have shaped the final Scheme

## 12. Sign off

	Name	Position	Date
Completed by			
Signed off by	Karen Jones	Assistant Chief Executive and Chief Digital Officer	September 24th 2018



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

### **Cabinet**

31 October 2018

### **Report - Head of Transformation (ELLL) Andrew Thomas**

#### **Matter for Decision**

#### **Wards Affected:**

Pelenna

### **Project Proposal made to the Members Community Fund**

#### **Purpose of the Report**

1. To seek Cabinet approval to fund a project proposal that requests financial support under the Members Community Fund. The project has been tabled by the respective Ward Member.

#### **Executive Summary**

2. The Members Community Fund was approved in its present form at Cabinet Board on the 16.05.18 and was launched at an All Members Seminar on the 14.06.18. The Fund is to be used to address

local needs and to support projects and initiatives that will contribute towards creating vibrant and sustainable communities.

The Project Development & Funding Unit (PDFU) within ELLL is charged with the governance of the Fund and will act as the Grant Management Organisation.

Bids can be made for projects that enhance existing Council services, assist voluntary sector provision or form part of a larger initiative that is in need of additional financial support.

Eligible projects will include those that enrich the environment, promote non - statutory education and learning, assist Health & Well Being, and promote culture and / or recreation in all its forms.

Cabinet has considered and approved six proposals to date. A further project proposal now seeks funding and has been formally submitted to the PDFU. The bid has been checked for completeness, accuracy and deliverability and is 'fit for purpose' and ready for determination by Cabinet.

## **Project Proposal**

3. Renewal of defective heating boiler- Tonmawr RFC, Dan - y - Coed, Pelenna.

The bid is to 'Assist Voluntary Sector providers' by securing the future of the Tonmawr RFC as the hub of the community.

The project involves replacement of the boiler which services all of the hot water supply in the Club. A recent Service Engineer's inspection has condemned the boiler as dangerous and the necessary Safety Certificate was withheld on the premise there is risk of explosion with continued use.

Following the loss of 'Tonmawr 2000' Sport and Fitness Centre and the Primary School, the Tonmawr RFC Clubhouse is now the central hub for sport, social and community activities. The main thrust of the Club is sport and rugby pathways development for over 100 participants from Under 7's to Seniors. The Club is the receiving centre for the Senior Citizens Club, Pelenna Male Voice Choir, the



Church Group, Mother & Toddler Group, Neath Schools Under 11's and Under 15's schoolboys and District competitions, and is the base for 40 regular volunteers that perform a host of activities within the community.

The need for this initiative has come to the attention of the local Councillor and there is recognition that without this timely intervention the Rugby Club would struggle to function as the main focal point of the community, possibly with many community hires being lost.

The project has already secured £12,360 from the Welsh Rugby Union (WRU) Facilities grant. The project has been accurately costed at £15,450 (net of VAT which is recoverable). The Member for Peleenna would wish to invest £3,090 (which is 20% of the net total project cost) of his Members Community Fund allocation. This request from Councillor Martin Ellis is the second bid made to the £10,000 ring fenced for priority projects in Peleenna (£4,627.50 already having been awarded to a successful pitch drainage scheme in Oakwood). With this award of £3,090 the Councillor would retain the remaining Members Fund balance of £2,282.50 which again could be used at another time to pursue a further priority project, destined to create a more vibrant and sustainable community.

### **Financial Impact**

4. From the outset it was intended that the Members Community Fund would endeavour to maximise other funding streams and draw in additional funding which will add value to inward investment within each of the Wards under determination. 80% of the costs attributed to this proposal have been secured from external agencies.

In order to win favour in Cabinet all projects must be sustainable. Projects must have a robust exit strategy that places no additional revenue or financial burden on the Council. Upon installation the new boiler, header tank, pump, thermostat and gas connections will be under warranty for two years. Long term the installation will be inspected and maintained by a qualified heating engineer at the Rugby Club's expense.

## **Equality Impact Assessment**

5. There is no requirement under the Constitution for an Equality Impact Assessment on this item.

## **Workforce Impacts**

6. There are no workforce impacts associated with this report.

## **Legal Impacts**

7. The delivery of the Members Community Fund will come within the purview of the Local Government Act 2000 which introduced well-being powers which enable every Local Authority to have capacity to do anything which it considers likely to promote an improvement to economic, social or environmental well-being in the area. Under section 56 of the Local Government (Wales) Measure 2011 sanction is given for both Executive and Non - Executive Members to invest within their own Ward.

The Council's Constitution should be referred to for explicit guidance on governance.

## **Risk Management**

8. There are no risk management issues associated with this report.

## **Consultation**

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

## **Recommendations**

10. (In line with the earlier agreed Council policies and priorities, the proposal has been thoroughly scrutinised and is deemed to be credible, well thought through and sustainable). That Cabinet approve to fund this project proposal given that there is a request for financial support under the Members Community Fund.

## **Reasons for Proposed Decision**

11. To approve the Application for funding that has been received under the Members Community Fund. The Members Community Fund will continue to receive bids until the due deadline date of 31.03.2020.

## **Implementation of Decision**

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

## **List of Background Papers**

13. This initiative has been developed from the Members Community Fund Application Form submitted by Councillor Martin Ellis. The initiative has the full backing of the WRU, 'Insport' disability sport, TACT Cymru, the Ospreys regional age groups and the wider community. This evidence has been retained for future reference. The PDFU has worked closely with the Senior Committee of Tonmawr RFC to arrive at this bid and that exchange of correspondence has been retained for reference.

## **14. Officer Contact**

Paul Hinder, Project Development & Funding Manager, (ELLL).

Tel: 01639 763390, email: p.hinder@npt.gov.

