



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

CABINET

10th July 2024

Report of the Director of Finance

Wards affected – All

Matter for Monitoring

Capital Budget Monitoring Report 2023/24 – As at end of March 2024

Purpose of Report

This report sets out the financial outturn position for the Capital Programme for 2023/24.

Background

For 2023/24 the approved revised Capital Programme totalled £45.285m, actual expenditure for the year was £39.129m. This is substantially less than the original capital programme, with the reasons for this having been reported to Cabinet through the in year budget monitoring reports.

This £39.129m expenditure represents significant investment within the County Borough which has led to community and service improvements. The Council places great emphasis on the importance of capital investment as a means of regenerating our communities and providing modern, safe buildings and infrastructure. Capital investment does not only lead to improved facilities and services but creates jobs and economic benefits for the citizens of Neath Port Talbot.

Achievements

The following points highlight some of the significant achievements during the year;

- Progress with the regeneration programme including Margam Country Park Electric Vehicle Charging and Public Facilities.

- Completion of the remodelling of the Council's Waste Facility at Crymlyn Burrows as a Transfer Station with enhanced recycling capacity and facilities to accommodate the Council's expanding recycling operation.
- City Deal – progression of the Homes as Power Stations and the Supporting Innovation and Low Carbon Growth projects.
- Commencement of the Shared Prosperity Fund Projects including, Valley Industrial Units, Third Sector Growth Fund, Valleys & Villages and Supporting Local Business.
- Further investment of £3.892m into Disabled Facility Grants to assist people to live at home and investment of over £2.7m in Schools Capital Maintenance and Highways and Engineering Maintenance improvements.

Outturn

A summary of the outturn position can be found in Appendix 1 of this report with the main variations between budget and actual being:

- Capital Maintenance - ELLL
The total underspend of £638k is due to a delayed start on site for the Crymlyn Primary Demountable project. This delay is due to resolving neighbourhood matters and provision of temporary works. The underspend will be carried forward to 2024/25 where full spend will occur.
- City Deal – Hydrogen Stimulus
The total underspend of £926k is due to a significant delay in the funding agreement being signed by University of South Wales (USW). This agreement has now been signed and the first quarterly claim from USW is expected shortly. The underspend will be carried forward to 2024/25 where full spend will occur.
- Regeneration Other
The total net underspend of £564k across a number of projects is due to the variances in the spend profile on the delivery of these projects. For the projects incurring underspends the funding will be carried forward to 2023/24 where full spend will

occur. For the project incurring overspends will be funded from resources earmarked in 2024/25.

- Contingency

The £1.212m underspend is due to the contingency budget not being required.

Impact of COVID

The Covid pandemic has resulted in increased costs for some contracts due to the requirement to provide increased facilities on sites i.e. additional welfare provision to facilitate social distancing. Currently these increased costs are being met from existing budget resources.

2023/24 Capital Expenditure

Details of capital expenditure as at 31st March 2024 is outlined in Appendix 1 of this report

Financial Impact

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

Valleys Communities Impact

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

Workforce Impacts

There are no workforce impacts arising from this report.

Legal Impacts

There are no legal impacts arising from this report.

Risk Management

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

Consultation

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

Recommendations

It is recommended that Cabinet notes the 2023/24 capital programme outturn position.

Reason for Proposed Decision

To approve the Council's 2023/24 capital outturn position.

Implementation of Decision

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

Appendices

Appendix 1 – Details of Capital Expenditure as at 31st March 2024

List of Background Papers

Capital Programme working files

Officer Contact

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Appendix 1

Capital Budget and Spend 2023/24 as at 31st March 2024

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
Education, Leisure & Lifelong Learning				
Capital Maintenance - ELLL	916	278	-638	Delayed start on site due to resolving neighbourhood matters and provision of temporary works.
Capital Maintenance for Schools Previous Years Grants	2,942	3,133	191	Works progressed ahead of schedule and overspends will be funded from resources earmarked in 2024/25.
Universal Primary Free School Meals	1,614	1,756	142	
Supporting Learners with Additional Needs	1,386	1,440	54	
Childcare Offer Grant – Small Grants, Cwmavon & YGG Blaendulais	610	428	-182	Delayed statutory approval process and agreement of contract price.
Sustainable Schools Challenge – YGG Rhosafan	100	11	-89	
Hwb IT for Schools	449	440	-9	
Leisure Investment	267	187	-80	
Margam Park Stonework Repairs	852	777	-75	

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
Pontardawe Arts Centre Cinema	301	314	13	
Dyfed Road Site Clearance	650	732	82	
Godre Graig Primary School - Demountable Units	475	465	-10	
Other – Education & Leisure	1,045	979	-66	
Environment				
Highways and Engineering Maintenance	2,496	2,458	-38	
Drainage Grants	2,695	2,221	-474	Net underspend is across a number of projects. Largest underspend relates to a project time delay in the Grandison Brook scheme as a result of external consultation.
Additional major engineering works Norton/Bevan Terrace	260	222	-38	
Resilient Roads Fund - Castle Drive Cimla	266	249	-17	
Road Safety 20mph (multiple locations)	2,221	1,911	-310	Delays due to adverse weather conditions.
Active Travel	1,206	1,067	-139	
Local Transport Fund (multiple locations)	485	558	73	
Covid Recovery	224	215	-9	
Covid Recovery - Catch Up, Clean Up, Green Up Capital Works	2,672	2,245	-427	Net underspend is across a number of projects. Largest underspend

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
				relates to delay in commencing the resurfacing of the gravel track around Cwrt Herbert and delay in delivery of vehicles.
Health & Safety	840	867	27	
Neighbourhood Improvements	406	381	-25	
Pavilions	214	238	24	
Disability Access	154	170	16	
Crymlyn Burrows Transfer Station - site improvements	1,313	1,317	4	
Waste Fleet Relocation Works	200	145	-55	
Electric Vehicle Charging Stations	944	911	-33	
Vehicle Replacement Programme	1,200	849	-351	Awaiting outcome of transport fleet review.
Coal Tip Safety	1,099	1,011	-88	
Environment Street Scene Works	343	178	-165	Net underspend is across a number of projects. Largest underspend is in relation to Wen Y Gored Neath Canal Footbridge. Underspend is due to a delay on completion of site works. Works due to complete in the first quarter of 2024/25.
Regeneration: Match Funding for WG & UK Government Funding Streams	32	0	-32	

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
Regeneration: Margam Country Park EV Charging and Public Facilities	237	275	38	
Regeneration: Crown Buildings	55	87	32	
Regeneration: Place Making 2 & 3	91	103	12	
Regeneration: Other	693	129	-564	Net underspend is across a number of projects. Largest underspend is in relation to costs for Neath Town Centre Leisure being less than previously anticipated.
City Deal: SWITCH Building at Harbourside	400	330	-70	
City Deal: Low Emission Vehicles (LEV)	65	4	-61	
City Deal: Hydrogen Stimulus	926	0	-926	There was a significant delay in the funding agreement being signed by University of South Wales this has now been signed and first quarterly claim from USW is expected shortly.
City Deal: Homes as Power Stations	742	375	-367	Underspend on Financial Incentives Funds. Projects are progressing well however further evidence is required to enable reimbursement. This is now expected to happen within the first 2 quarters of 2024/25.

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
City Deal: Other	337	73	-264	Net underspend is across a number of projects. Largest underspends relate to: Air Quality Monitoring Project - delay in securing sensor data due to a change in management with external company. Property Development fund – delay in applicants submitting claims and evidence which resulted in a postponement to grant payments.
Levelling Up: Gnoll Country Park	851	819	-32	
Levelling Up: Pontneddfechan	100	243	143	Design in advance of extended completion date.
Shared Prosperity Fund: Valley Industrial Units	71	43	-28	
Shared Prosperity Fund: Sustainable Communities Growth Fund	50	0	-50	
Shared Prosperity Fund: Third Sector Growth Fund	145	186	41	
Shared Prosperity Fund: Valleys & Villages	165	118	-47	
Shared Prosperity Fund: Supporting Local Business	300	297	-3	

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
Other - Environment	1,076	1,293	217	Net overspend is across a number of projects. The largest overspend is in relation to a new Waste project that has been fully funded.
Social Services Health & Housing				
Capital Maintenance	354	324	-30	
NPT Rent Rescue	575	644	69	
Homecare Electric Vehicles	152	152	0	
Enable – Support for Independent Living	281	281	0	
Disabled Facilities Grants	3,723	3,892	169	Works progressed ahead of schedule and overspends will be funded from resources earmarked in 2024/25.
Other – Social Service & Housing	204	135	-69	
Other Services				
School IT/ Vehicle Financing	1,054	1,109	55	
Microsoft License	504	0	-504	Costs moved to revenue as agreed with Audit Wales.
Other - Corporate Services	45	64	19	
Contingency	1,212	0	-1,212	The underspend will be carried forward to 2024/25 where it will be earmarked for contingency.

	Revised Budget £'000	Actual £'000	Variance £'000	Comments
Total	45,285	39,129	-6,156	