

# NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

## Streetscene & Engineering Scrutiny Committee

11<sup>th</sup> December 2017

### Report of the Director of Environment

#### Matter for Scrutiny

**Wards Affected:** All Wards

#### **CONSULTATION ON ENVIRONMENT DIRECTORATE'S BUDGET AND DRAFT SAVINGS FOR 2018/19**

#### Purpose of Report

- 1 To provide Members of the Streetscene and Engineering Scrutiny Committee with supplementary information concerning the savings proposals for the Environment Directorate budget, set out in the Cabinet report of 8<sup>th</sup> November 2017, with a view to aiding the scrutiny of these proposals.

#### Executive Summary

- 2 The Environment Directorate has made considerable savings over the last few years and has reduced large numbers of staff, particularly front line staff who deliver a broad range of public facing services which the Directorate delivers across the County Borough on a daily basis.

The Directorate budget is currently £32.710m and is currently 11.9% of the total Authority's net budget. Since 2009/10, the Directorate has contributed over £18m towards the Authority's saving target and this total will increase to circa £20m allowing for the removal of one-off monies this year and if all the savings proposals currently out to consultation are implemented.

During financial years 2013/14 and 2014/15, over 200 staff left the Directorate under the ER/VR scheme and in excess of 400 staff have left in the last seven years.

## **Background**

- 3 On the 10<sup>th</sup> October 2017 The Welsh Government (WG) announced details of the Provisional Local Government Settlement for 2018/19. The settlement shows that the WG are providing £4.205bn of funding for Local Government. However this is £20m or -0.5% less in real terms in comparison with the current year. Neath Port Talbot Council's share at £210.832m is slightly better than the Welsh average but is a reduction of £950k or -0.4%. However, given that the Welsh Government provides 75% of our net budget funding, and the Council Tax payer pays only 25%, this reduction in funding has a significant impact on the amount available to the Council to spend on service delivery.

Neath Port Talbot Council's net revenue budget for 2017/18 is £274.677M.

## **Draft Budget 2018/19**

- 4 On the 8<sup>th</sup> November 2017 the Council's Cabinet resolved to commence public consultation on its budget and draft savings proposals for 2018/19. It is projected that financial savings of £10.2m are required to set the balanced budget for the next financial year and more than £60m over the next five financial years.

This report sets out for Members scrutiny further details on the savings proposals required for the Environment Directorate's budget.

## **Draft savings for consultation**

- 5 Attached at Appendix 1 is a schedule of proposals which are out to public consultation for the Environment Directorate and affect this Cabinet Board. Please find below specific information from each Head of Service relating to the draft savings proposal for 2018/19

## **Savings Proposals 18/19**

ENV801 (£200k) – This proposal sets out a range of income generation options and digital improvements of the Authority's Parking service for implementation during 2018/19 (Appendix 2). The proposal sets out balancing revenue generating opportunities as an alternative to further

service cuts within the Environment Directorate. There are a number of anomalies within the charging structure in the County, which could be aligned and includes an increase in tariff charges across all bands, including changes to the parking charges at the Gnoll and Afan Forest Park. The proposal also considers service improvements including virtual permitting as part of the Council's Digital Transformation Programme and mobile CCTV camera van enforcement around County Schools and to other Traffic Regulation Orders, to improve road safety. The overall proposals could generate income in the region of up to circa £300K (net £200K) to allow for one-off set up costs of changes to Enforcement and Digital Permitting, and increases in NNDR.

ENV802(£200k) – The Council is coming to the end of what has been a long and protracted procurement process in an attempt to transfer operation of the MREC to the private sector, wind up the current local authority owned operating company, and save money. The EU compliant competitive tender process failed to achieve a successful conclusion with no compliant tenders being submitted and this Council, with its partners Bridgend Council, are now attempting to secure a contract via the single negotiated tender route process as allowed by regulations after a failed competitive process. Indications are a saving of £200k can be achieved but as with any contractual arrangements there are a balance of risks to be weighed up along with any potential financial gains.

ENV803(£100k) – The Council's current contract for the operation of Pwllfawatkin Household Waste Recycling Centre is up for renewal at the end of march next year. The tender has always been awarded on a single negotiated tender basis as the site is privately owned and to date there has been no alternatives, with the opening of Powys's facility at Lower Cwmtwrch the Council is seeking prices for a new contract at Pwllfawatkin and, as a potential alternative, a shared facility with Powys at Lower Cwmtwch.

ENV804(£30k) – It is planned to consider all ER/VR applications with respect to delivery of efficiency savings.

ENV807(£30k) – It is planned to increase car parking charges at the Gnoll to £2.50 for up to 4 hours and £4 for all day, and increase the cost of a season ticket to £52 per year. It is also proposed to review prices in the cafe and continue to pursue other income raising measures in general.

ENV808 (£30k) – It is planned to increase the charge out rate for surveys to both internal and external clients to recover an additional contribution to overheads and move the service further towards a cost neutral position.

### **Crime and Disorder Impact**

- 6 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.

### **Equality Impact Assessment**

- 7 The Equality Act 2010 required 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.

The 8<sup>th</sup> November 2017 report identified the need for the Council to make budget savings of £10.2m for 2018/19 and as such many of these will have a negative impact on services provided across the whole of the County Borough. Some of the proposals included above do not directly impact on frontline services to the public. Those that have a direct impact are subject to individual equality impact screening and assessments.

### **Workforce Impact**

- 8 The workforce will be impacted by reductions in budget available to run services. The Council has shared this report and information with trade unions and will hold staff briefings where required over the next few months. The Council wishes to

minimise compulsory redundancies and has launched its early retirement/voluntary redundancy scheme on the 6<sup>th</sup> November 2017. Staff leaving under this scheme will assist in delivering some of the financial savings.

## **Consultation**

- 9 The Council has consulted on its strategic objectives and priorities as adopted on the 28<sup>th</sup> September 2017 in the Corporate Plan for 2017-2022.

The report to Cabinet of 8<sup>th</sup> November 2017 sets out the proposed response to the draft Local Government Settlement for 2018/19. Public, Trade Union and staff consultation on the proposals set out in this report are taking place up to the end of December 2017.

## **Recommendations**

- 10 It is recommended that Members review and scrutinise the savings proposals included in this report.

## **Appendices**

- 11 Appendix 1 – Draft savings for consultation  
Appendix 2 - Income Generation and Digital Improvements to the Authority's Parking Service 2018/19

## **Background Papers**

- 12 Budget working files

## **Wards Affected**

- 13 All

## **Officer Contact**

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

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## Appendix 1

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
ENV801	S&E	Car Parking	Dave Griffiths	Increased charges. Service options currently being prepared.	-171	-117%	200	0
ENV802	S&E	Waste Disposal Procurement	Michael Roberts	Subject to the outcome of procurement	4,915	4%	200	0
ENV803	S&E	Household Waste Recycling Centres	Michael Roberts	Alternative service delivery	1,299	8%	100	0
ENV804	all	Staff redundancies /deletion of posts	all	Reduced staff capacity	0	N/A	30	0
ENV807	S&E	Gnoll Country Park	Michael Roberts	Increase in charges including car parking	74	40%	30	0
ENV808	S&E	Survey Team	Michael Roberts	Service Review	66	46%	30	0