

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET (SPECIAL)

17 December 2018

Report of the Corporate Directors Group

CABINET RESPONSE TO COUNCIL TASK & FINISH GROUP ON THE VALLEYS

Matter for Decision

Wards Affected: All (but primarily the Valleys)

Purpose of Report

1. To enable the Cabinet to respond to the Council's Task & Finish Group's recommendations on the Valleys, also taking account of the work being led by the Welsh Government's Valleys Taskforce under the strapline "*Our Valleys Our Future*".

Background

2. The Task & Finish Group submitted its report earlier this year. It is reproduced at Appendix 1 together with an outline response from the Cabinet (complete, but slightly reordered for ease of reference).
3. The starting point is that the social, environmental and economic success of our Valleys remain an integral cross-cutting priority for the Welsh Government, this Council and other stakeholders.
4. However, we must acknowledge that there have been numerous previous attempts to tackle the issue coherently. Whilst some positive and tangible results have been achieved, previous programmes were largely ineffective in the round as we cannot claim to have fundamentally improved the outlook in the Valleys over the last twenty or thirty years.
5. The list of previous initiatives includes a mixture of national, regional and local programmes over the last decade including the following:

- The Neath Port Talbot Western Valleys Strategy (2006);
- Heads of the Valleys Innovation Programme (2011); and
- Valley Area Regeneration Plans (VARPs)/Western Valleys Programme – (2010 onwards).

Plus many other schemes, principally based around a variety of Welsh Government initiatives and European Funding.

6. A range of statistics are unnecessary as they all (Gross Value Added, deprivation, economic inactivity, etc.) tell fundamentally the same story now as a decade ago - and perhaps a decade before that. Moreover, ongoing austerity plus Brexit (and the end of European Funding) mean that the resources to make progress are going to be scarcer than ever.

Analysis

7. Accordingly, this report attempts to identify a package of measures that can make a real difference; but without claiming that we can solve all of the problems in the short term. Such claims would lack credibility. The package is therefore a mixture of measures/projects with a distinctly local flavour coupled to arguments for policy change on a national level to address key issues identified by the Task And Finish Group. Some of the former might have happened anyway; but the value added here is to integrate them in such a way as to make the whole greater than the sum of the parts.
8. In preparing this response, we have also entered into a dialogue with the Bevan Foundation as an external “critical friend”. The Foundation has a long history of expert commentary on the issues; but this is not their report. However, the Foundation has recognised the geography of Neath Port Talbot’s Valleys as particularly challenging, with the major valleys converging on different coastal towns and some communities looking outside the authority’s boundaries for services. They also note that there are several distinct ‘clusters’ e.g. the Afan Valley and the Western Valleys, where the challenges may be different.

9. Council officers agree with their analysis on most issues (see Appendix); but not all. For example, both the Welsh Government and (previously) the Bevan Foundation have laid heavy emphasis on the relocation of public sector jobs and public services to the Valleys. In our opinion, this doesn't work on any significant scale because:

- Public administration jobs are in sharp decline due to austerity – a recent estimate¹ was that some 8,000 such jobs have been lost within an hour's drive of Port Talbot since 2010 and we know this authority has lost a quarter of its staff over a similar period;
- Such jobs will continue to decline longer term because of digitalisation and automation. Increasingly there is no demand/footfall to justify retaining (expensive) office space in some areas; and
- This has been tried before. For example, the Welsh Government opened a new office in Merthyr more than a decade ago; but it is doubtful whether this has created or sustained a large number of jobs in the Valleys for people from those Valleys. More recently, the Department of Work and Pensions committed to a new office in Treforest; but what was less well advertised is that they closed offices in Ebbw Vale, Merthyr and elsewhere as part of this centralisation. We believe that the answer is more in the private sector than public.

Key Themes emerging in discussion with the Bevan Foundation

10. There are five:

Reversing economic decline and improving jobs and skills

11. The proposed response includes the creation of employment opportunities; but we accept the Bevan Foundation's observation that it needs to be at the centre of the strategy and developed further.

12. The long-term future of these communities depends upon a "resilient economic base" which includes both thriving local

¹ For the development of the Port Talbot Enterprise Zone Strategy

businesses within the Valleys and good access to jobs outside of them. The Foundation has highlighted the notion of “inclusive growth” which, for example, translates into ensuring that the benefits of the City Deal benefits are felt in the Valleys as well as in the towns, cities and on the coast as well as benefitting all groups of people (including those in low paid jobs and not currently working).

13. Examples of how we might approach this are included in the outline Cabinet response.

Improving access to jobs created in Swansea/Neath Port Talbot with a step-change to public transport

14. The Task & Finish Group identified this as its number one issue. It is certain that some people living in the Valleys will want to travel to work to access the wider opportunities. The Bevan Foundation has pointed out that detailed mapping of public transport provision against employment opportunities undertaken by the Joseph Rowntree Foundation shows that Neath Port Talbot has one of the highest proportion in Wales of deprived Lower Super Output Areas classed as ‘disconnected’. The Foundation has recommended that ideally there needs to be a region-wide approach. That now seem possible in the short to medium term as Welsh Government policies develop (see Appendix) and as long term proposals for a “Swansea Bay Metro” are also developed. Simultaneously, the City Deal is seeking to extend its role in the area of transport and connectivity.

Supporting People into Work and Improving Skills

15. Assisting people into work is important; but the Foundation has questioned whether UK and Welsh Government programmes are of sufficient scale, reach and impact. We agree – and many of these programmes will need to be reviewed and developed to take account of Brexit, including local authority run intermediate labour market schemes. The Foundation suggest that action to help people into work needs to be linked with a detailed understanding of job and training opportunities in the local labour market, and should follow the “gold standard” of what works i.e. combined pre-employment training, a work placement and a guaranteed job interview. It is very clear that people with few qualifications are much worse off in the

labour market. Not only do they have lower pay; but they are more likely to have insecure work. This analysis has much merit in our view.

Spatial Planning

16. The Foundation has argued that a limited number of locations should be identified as 'growth poles' where services and investment can be concentrated as a counter to the "drag" to towns and cities. We agree – and would identify Glynneath as one strong candidate. However, this in turn raises some major issues around land use and development e.g. the clash between local authority objectives and the all-encompassing nature of Natural Resources Wales' flood risk assessments.

Community Regeneration

17. Many of the proposals for community regeneration identified by the Task & Finish Group support local economic development and might be better regarded as such (as the Foundation has noted). There is additional potential for community regeneration to support the infrastructure of a caring and supportive society, including community organisations of all kinds and well-used community spaces (including parks and playing fields, not just indoor facilities). Small-scale 'community chest' type funding can stimulate local organisations, along with support for good governance. This Council has a good record overall in this area and the Third Sector grant scheme has recently been revamped with these objectives in mind; but the challenges presented by the budget cuts should not be underestimated. In several areas, provision is more likely to contract than expand unless alternative models can be identified. A process will be therefore required for addressing priorities in local areas against the resources allocated in the Budget.

Financial & Workforce Implications/Equality Impact Assessment

18. None/not required at this stage.

RECOMMENDATION

1. That the Cabinet endorse the response at Appendix 1.
2. That Cabinet authorises the Chief Executive to enter into partnership with the Bevan Foundation and confirms this Council's support for their proposed work (see Appendix 3) to build economic development in the valley communities of South Wales and to make a contribution of up to £10,000 to the work.

Reasons for Proposed Decision

To enable the Cabinet to respond to the Task & Finish Group and progress work on a number of issues identified in the response.

Appendix

Task & Finish Group Report + Cabinet Response

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