

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

EDUCATION SCRUTINY COMMITTEE

**REPORT OF DIRECTOR OF EDUCATION, LEISURE AND LIFELONG
LEARNING**

16th January 2020

SECTION A – MATTER FOR SCRUTINY

WARDS AFFECTED: ALL

**CONSULTATION ON THE EDUCATION, LEISURE AND LIFELONG
LEARNING BUDGET AND DRAFT SAVINGS 2020/21**

1. Purpose of Report

To provide Members of the Education Scrutiny Committee with supplementary information regarding the savings proposals for the Education, Leisure and Lifelong Learning Directorate (DELLS), set out in the Cabinet Report of 16th January 2020, with a view to aiding the scrutiny of those proposals.

2. Background

As members are aware Neath Port Talbot Council's net revenue budget for 2019/20 is £288.168m and together with grants and income results in a gross investment or budget of some £433m in Council services across the County Borough. The Council also invests circa £45m per annum through its capital programme.

On the 10th January 2020 the Council's Cabinet approved to commence public consultation on draft budget savings, cuts and income generation proposals for 2020/21 to 2022/23. As Members are aware the 2020/21 Provisional Local Government Settlement provides an all Wales increase in Local Government funding of 4.3% with this Council benefiting from a higher than average increase at 4.5%.

This is the first 'above inflation' settlement since 2007/08 and whilst it is welcome news it still doesn't cover the total cost of

assumed pay awards, inflation and pressures resulting from rising demands on Council Services.

After taking account of the above settlement the Council is still required to deliver savings of £2.148m to set a balanced budget for next year rising to £2.684m for the next three years to 2022/23.

This report deals in more detail specifically with those savings strategies which fall under the remit of this Scrutiny Committee.

3. Executive Summary

The DELL's budget for 2019/20 total's £109,091m, this report includes details of potential savings/cuts/income generation of £326k for 2020/21 and a total of £155k for the period 2021/22 to 2022/23. Details of these savings by Division are show in the table below:

Division	2019/20 Revised Budget £'000	Savings Proposals		
		2020/21 £'000	2021/22 £'000	2022/23 £'000
Education, Leisure and Lifelong Learning Directorate	109,091	326	155	0
Total	109,091	326	155	0

4. Draft savings for consultation

This report sets out for Members further details of those savings proposals required of DELL's functions for 2020/21 as incorporated within the 2020 / 21 budget (see also Appendix 1).

Please find below specific information from each Head of Service relating to the draft savings, cuts and income generation proposals for 2020/21 and subsequent years:-

4.1. Head of Service – Andrew Thomas

Budget Summary

Service	Revised Budget 2019/20 £'000	Staffing FTE
Pontardawe Arts Centre - Budget Book Page 1047.	175	9
Leisure Trust - Budget Book Page 1050.	1,260	N/A
Management and Admin – Budget Book Page 1051.	1,144	31.4
Cleaning Services – Budget Book Page 1013.	166	73.7
School Transport – Out of County – Budget Book Page 1009.	6,714	0
Total	9,459	

Key Service Information

Savings Proposals

Total Savings for 2020 / 21 - £326k

ELLL707 – Pontardawe Arts Centre – Reduce Subsidy - £50k

It is anticipated that a new cinema will open in January 2021, which will deliver operating cost savings and increased income. Capital investment support is being sought from the Arts Council for Wales, the Friends of Pontardawe Arts Centre and the Council.

ELLL1001 – Leisure Trust – £100k

The proposed reduction in the management fee can be achieved by the Trust maximising their income generating opportunities or implementing cost reduction strategies.

ELLL1002 – Management and Admin - £25k

Deletion of a vacant post within the Data Unit. The post has been vacant for the past two years.

Head of Service – Chris Millis

ELLL1003 – Cleaning Services - £80k

The school cleaning service is currently being subsidised by the Local Education Authority, this position cannot be maintained in the current financial climate. To reduce the subsidy schools will receive an increased charge to more accurately reflect the actual cost of cleaning schools. It is proposed to reduce the deficit substantially, closer to a full cost recovery position, over a two year period. Members should be aware that this £80k increase is within a context of schools delegated budgets benefitting from a 4.4% increase.

ELLL1004 – School Transport – Out of County - £71k

A number of pupils are currently receiving education in Special Schools outside of the county borough. A number of these placements will cease in July 2020, this will result in savings associated with the transportation costs.

4.2 Head of Service – Andrew Thomas

Savings Proposals

Total Savings for 2021 / 22 - £155k

ELLL707 – Pontardawe Arts Centre – Reduce Subsidy - £40k

It is envisaged that the new cinema will generate additional income during 2021 / 22.

Head of Service – Chris Millis

ELLL1003 – Cleaning Services - £85k

It is proposed to reduce the school cleaning subsidy over a two year period as the Local Education Authority cannot continue to subsidise the service in the current financial climate.

ELLL1004 – School Transport – Out of County - £30k

A number of out of county placements will cease in July 2021, this will result in savings associated with the transportation costs.

4.3 Head of Service – Andrew Thomas

Savings Proposals

Total Savings for 2022 / 23 - £Nil

There is currently no requirement to identify potential saving strategies for the Financial Year 2022 / 23.

5. 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.

6. Integrated Impact Assessment

Integrated Impact Assessments for the 2020/21 Budget are being developed in two stages: stage one involves making an initial assessment of the impact of the budget proposals on a range of statutory duties that the Council is required to meet. Those duties include: the Equality Act 2010; the Welsh Language Standards; the Well-being of Future Generations (Wales) Act 2015; duties in respect of Bio-diversity and a range of other factors.

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

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.

The 10th January report identified the need for the Council to make budget savings of £2.148m for 2020/21 and as such many of these will have a negative impact on services provided across the whole of the county borough.

Savings associated with ELLL 707, Pontardawe Arts Centre, have been previously agreed as part of the budget setting process for financial year 2019/2020, therefore no new Integrated Impact Assessment is necessary. Furthermore no impact assessment has been undertaken for ELLL 1002, Management and Admin, as the post in question has been vacant for over 2 years and ELLL 1003, Cleaning Services and ELLL 1004, School Transport – Out of County, as this saving refers to the pupils who are placed in special schools outside of Neath Port Talbot and whose placement is finishing and therefore the need for transportation.

7. Workforce Impacts

The workforce will be impacted by the reduction in budget funding available to run services. The Council wishes to minimise compulsory redundancies and has launched its early retirement/voluntary redundancy scheme. Staff leaving under this scheme will assist in delivering some of the financial savings set out in this report.

The workforce proposals set out in this report result in job losses either via natural staff turnover, retirement or voluntary redundancy.

8. Consultation

Public Consultation on all of the draft savings proposals set out in the Cabinet report of 10th January 2020 has commenced and will run until 4th February 2020.

9. Risk Management

It is now becoming more difficult to continue to deliver year on year savings in some service areas. Some efficiencies via new working

arrangements have and continue to be achievable. New income generation opportunities and fees are also under consideration to reduce the financial funding gap. However, given that the demand for some services continue at a pace that exceed capacity further work is being carried out to ensure that the best possible services can be provided within the reduced budgets and reduced capacity.

10. Recommendation

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

11. Appendices

Appendix 1- Draft savings for consultation

Appendix 2 – First Stage Integrated Impact Assessments

12. Background Papers

Budget working files

13. Officer Contact

For further information on this report item, please contact:

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Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
ELLL707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	Operating cost savings and increased income from establishing a cinema which is assumed to open January 2021. Capital investment support being sought from the Arts Council for Wales, the Friends of Pontardawe Arts Centre and the Council.	176	51%	50	40	0
ELLL1001	ES&C	Leisure Trust	Andrew Thomas	Reduction in management fee paid to Celtic Leisure for the operation of Leisure Services.	1,260	8%	100	0	0
ELLL1002	ES&C	Management & Admin	Andrew Thomas	Deletion of a vacant post in the Data Unit.	1,107	2%	25	0	0
ELLL1003	ES&C	Cleaning services	Chris Millis	The school cleaning service is currently being subsidised by the Local Education Authority, this is no longer financially viable. The service will be reviewed to ensure that this subsidy no longer exists, as a direct result schools will have to pay	166	100%	80	85	0

Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
				additional costs for the school cleaning service.					
ELLL1004	ES&C	School transport - out of county	Chris Millis	A number of pupils are currently receiving education in Special Schools outside of the county borough. A number of these placements are likely to cease in July 2020, this will result in savings associated with the transportation costs.	268	38%	71	30	0
SSHH1001	SCHWB	Savings re Adult Family Placement fees	Angela Thomas	Adult Family Placements (AFP) provide family based care to adults in the community who need support, similar to children's foster care. Proposal to reduce the rates paid to AFP carers in line with the rates paid to children's foster carers.	14,753	0%	20	0	0

Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
SSHH1002	SCHWB	Review of Joint NPT & CHC packages of care	Angela Thomas	NPT to contribute 50% of cost less service user contribution. Increased cost will fall on Swansea Bay UHB. Net saving following additional investment of £80k to take legal advice and recover debt.	28,630	0%	28	0	0
SSHH1003	SCHWB	Increased income from financial assessments	Angela Thomas	Need to ensure that all income due is collected	28,630	0%	20	0	0
SSHH1004	SCHWB	Early Intervention and Prevention (Building Safe & Resilient Communities). Low level care provided by the community	Angela Thomas	Need to support the development of community activity and volunteering opportunities, to prevent/delay the need for statutory service intervention	48,220	0%	50	0	0
SSHH1005	SCHWB	Reduction in NPT's contribution to the joint equipment service	Angela Thomas	The contribution rate is based on usage of the equipment service, and may result in pressure if usage increases.	451	2%	10	0	0

Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
SSHH1006	SCHWB	Accommodation	Angela Thomas	Accommodation savings due to reduction in the number of teams in Cimla hospital has led to a reduced service charge.	95	20%	20	0	0
SSHH1007	SCHWB	Savings from external contracts	Angela Thomas	Savings from external contracts, cancel or reduce service level agreements with providers that are not delivering value for money.	48,220	0%	40	0	0
SSHH1008	SCHWB	Staff turnover savings	Angela Thomas/Keri Warren	Staff vacancy management savings	37,584	0%	100	0	0
SSHH1009	SCHWB	Savings achieved in 2019/20 rolling into 2020/21 from reduced number of LAC	Keri Warren	Continue to implement and manage the LAC strategy. Ensure that only those children who need to be in care are admitted and remain, and that those in care will always remain a top priority	21,252	1%	250	0	0
SSHH1010	SCHWB	Savings in legal budgets	Keri Warren	Reduced number of Looked After Children enabling savings from a reduction in commissioned reports	480	21%	100	0	0

Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
				and use of external legal services for court proceedings.					
ENVT1001	R&SD	Planning Policy	Nicola Pearce	Various expenditure savings	311	2%	5	0	0
ENVT1002	R&SD	Countryside & Wildlife	Nicola Pearce	Income generation and expenditure savings	274	3%	8	0	0
ENVT1003	R&SD	Building regulations and Business Support Unit	Nicola Pearce	Removal of vacant post	267	9%	25	0	0
ENVT1004	S&E	Road Safety Driver Training Programme	David Griffiths	Increase income	244	4%	10	0	0
ENVT1005	S&E	CCTV Mobile Enforcement	David Griffiths	Increase operational hours to generate more income	-447	-2%	10	0	0
ENVT1006	R&SD	Public Conveniences	Simon Brennan	Savings from removal of NNDR	165	5%	8	0	0
ENVT1007	R&SD	Sandfields Young Business Centre	Simon Brennan	Increase income from rent	-7	-91%	6	0	0
ENVT1008	R&SD	Estates	Simon Brennan	Increase income from rent	618	3%	20	0	0

Draft Budget Saving Strategies

Appendix 1

Ref No.	Board	Description	Lead	Main Impacts	Net Budget 2019/20	% saving	2020/21 £000	2021/22 £000	2022/23 £000
ENVT1009	R&SD	Building Maintenance	Simon Brennan	Reduce expenditure	1,734	1%	25	0	0
				Total					

1. Details of the initiative

Initiative description and summary:
Service Area:
Directorate:

2. Does the initiative affect:

	Yes	No
Service users		
Staff		
Wider community		
Internal administrative process only		

3. Does the initiative impact on people because of their:

	Yes	No	None/ Negligible	Don't Know	Impact H/M/L	Reasons for your decision (including evidence)/How might it impact?
Age						
Disability						
Gender Reassignment						
Marriage/Civil Partnership						
Pregnancy/Maternity						
Race						
Religion/Belief						
Sex						
Sexual orientation						

4. Does the initiative impact on:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence used) / How might it impact?
People's opportunities to use the Welsh language						
Treating the Welsh language no less favourably than English						

5. Does the initiative impact on biodiversity:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence) / How might it impact?
To maintain and enhance biodiversity						
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.						

6. Does the initiative embrace the sustainable development principle (5 ways of working):

	Yes	No	Details
Long term - how the initiative supports the long term well-being of people			
Integration - how the initiative impacts upon our wellbeing objectives			
Involvement - how people have been involved in developing the initiative			
Collaboration - how we have worked with other services/organisations to find shared sustainable solutions			
Prevention - how the initiative will prevent problems occurring or getting worse			

7. Declaration - based on above assessment (tick as appropriate):

A full impact assessment (second stage) is not required	x
Reasons for this conclusion	
We have replaced the external accreditation with an internal system of cross auditing.	
A full impact assessment (second stage) is required	
Reasons for this conclusion	

**Integrated Impact Assessments
Appendix 2**

	Name	Position	Signature	Date
Signed off by				

