

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE HEAD OF FINANCE – HUW JONES

11 November 2020

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED – ALL

Capital Programme Monitoring Report Quarter 2 - 2020/21

Purpose of Report

1. To provide Members with information in relation to delivery of the 2020/21 Capital Programme.

Background

2. On 5th March 2020 Council approved its Capital Programme for 2020/21; the report detailed planned Capital Expenditure totalling £87.92m for the financial year.

The purpose of this report is to update Members as to the delivery of this Programme as at 30th September 2020 and to seek approval to update the 2020/21 budget.

Targeted Achievements

3. As Members are aware the following achievements are being targeted during this financial year:
 - Progression of the Council's Band B 21st Century Schools programme;
 - Cefn Saeson - a new replacement 11-16 School in the Cimla area of the County Borough.

- Abbey Primary – a new primary school to replace the current Primary school which is based across three sites in Neath Abbey, Skewen and Longford.
 - Ysgol Gymraeg Ystalyfera Phase 3 - the addition of a new build block comprising six extra classrooms and 3G rugby pitch provision.
- Investment in a flood and coastal risk prevention project at Aberavon Seafront.
 - County Borough regeneration including the continuation of the Neath Town Centre redevelopment along with commencement of works on Neath Transport Hub. Development works on the former Crown building, redevelopment works on the former Plaza cinema in Port Talbot along with the Harbourside infrastructure project.
 - Further investment of £3m into Disabled Facility Grants to assist people to live at home together with an 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 £77.684m with the main changes proposed being:
 - Projects and funding carried forward from 2019/20 totalling £2.373m, the majority of which relate to Highways & Engineering Maintenance, Flood and Coastal Risk Prevention and Street Lighting.
 - Grant approvals received after the original programme was set of £3.525m predominantly relating to local transport network improvements, road safety and flood/drainage works.
 - The 2020/21 budget for Cefn Saeson has been reduced by £1.717m. This is due to additional spend being incurred in 2019/20 and the project progressing ahead of schedule.

- A £8.25m budget had been included in 2020/21 in relation to the redevelopment of Neath Town Centre. However, £5.25m of this has now been re-profiled into 2021/22 to reflect the profile of the works required on the site. The project is still on course to finish by May 2022.
- A £5.759m budget had been included in 2020/21 in relation to the Plaza development. However, £2.262m of this has now been re-profiled into 2021/22 to reflect the profile of the works required on the site.
- A budget of £1.400m had been included in 2020/21 for Margam Park Activity Investment. However £1.094m has now been re-profiled into 2021/22 to reflect the fact that the project is being developed.
- The 2020/21 budget of £4.612m for Harbourside Infrastructure has been reduced by £2.729m to reflect revised project delivery and timescales.
- An additional budget of £1.486m has been included in 2020/21 for the Vehicle Replacement Programme to reflect the purchase of additional vehicles for the Councils fleet funded from reserves.

Additional Capital Funding

5. As part of the 2018/19 Welsh Government settlement announcement, an additional £5m of un-hypothecated funding was allocated over 3 years. Of this £5m, £1.180m was spent in 2019/20 with £3.830m originally planned to be spent in 2020/21. However, £990k of this original 2020/21 budget needs to be re-profiled into 2021/22 to reflect planned spend.

Additional Schools Capital Maintenance Grant

6. In March 2019 Welsh Government allocated an additional £1.9m to fund school maintenance works, £360k was spent in 2019/20 and the balance planned for 2020/21 and 2021/22. The original 2020/21 budget of £1.671m has been reduced to £800k with the balance being re-profiled to 2021/22.

Also in January 2020 Welsh Government announced a further allocation of £1.9m which was planned to be spent in 2020/21 and 2021/22. The original 2020/21 budget of £1.928m has been reduced to £755k with the balance being re-profiled to 2021/22 to reflect planned spend.

Impact of COVID

7. 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.

2020/21 Capital Expenditure

8. Specific details of Capital Expenditure as at 30th September 2020 is outlined in Appendix 1 of this report

Financial Impact

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

Valleys Communities Impact

10. No implications

Workforce Impacts

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

Legal Impacts

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

Risk Management

13. 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

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

Recommendations

15. It is recommended that Cabinet approves and then commends the updated Capital Programme to Council:
- The approval of the proposed 2020/21 budget totalling £77.684m;
 - And note the position in relation to expenditure as at 30th September 2020.

Reason for Proposed Decision

16. To update the Council's Capital Programme for 2020/21.

Implementation of Decision

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

Appendices

18. Appendix 1 – Details of Capital Expenditure as at 30th September 2020

List of Background Papers

Capital Programme working files

Officer Contact

Mr Huw Jones – Head of Finance

E-mail: h.jones@npt.gov.uk

Mr Ross Livingstone – Group Accountant - Capital and Corporate

E-mail: r.livingstone@npt.gov.uk

Appendix 1

Capital Budget and Spend 2020/21 as at 30th September 2020

	Current Budget £'000	Proposed Budget £'000	Actual @ 30 Sept 20 £'000
Abbey Primary	5,311	5,424	67
Cefn Saeson	13,000	11,283	6,399
Ysgol Gymraeg Ystalyfera Bro Dur (North Campus)	3,402	3,327	705
Capital Maintenance – Education and Leisure	1,100	1,198	649
Welsh Medium School Grant - YGG Pontardawe, YGG Cwmllynfell & YGG Tyle'r Ynn	2,232	2,256	583
Infant Class Sizes Grant - YGG Rhosafan, YGG Castell Nedd, Gnoll Primary	684	708	40
Childcare Offer Grant - Small Grants Pot, Baglan Primary, Blaenbaglan Primary, Cwmavon, YGG Castell Nedd, YGG Blaendulais, Wauncerich Primary & Rhos Primary	3,678	3,788	541
Cymmer Afan Site Clearance & Land Reclamation	200	108	0
Leisure Investment	150	242	7
Margam Orangery Improvement Works	0	105	70
Margam Park Activity Investment	1,400	306	94
Pontardawe Arts Centre Cinema	500	200	0
Highways and Engineering Maintenance	1,625	2,138	676
Additional Highway Works (Highways Refurbishment Grant)	753	753	320
Drainage Grants	0	897	191
Local Transport Fund (multiple locations)	0	1,028	151
Active Travel Fund (multiple location)	0	218	183
Road Safety	0	205	0
Safe Routes in Communities	0	50	0
Flood & Coastal Risk Projects - Aberavon & Brunel Dock	1,400	1,067	889
Flood Recovery – various projects	0	927	181
Major Bridge Strengthening - A474 Neath	0	6	2
Trade Waste Recycling Investment	0	200	0

	Current Budget £'000	Proposed Budget £'000	Actual @ 30 Sept 20 £'000
Health & Safety	850	1,050	212
Street Lighting	491	974	0
MREC – site improvements	0	180	0
Vehicle Replacement Programme	1,237	2,723	1,233
Environment Street Scene Works	500	500	0
Regeneration: Harbourside Infrastructure	4,612	1,883	144
Regeneration: Plaza Redevelopment	5,759	3,497	329
Regeneration: Former Port Talbot Magistrates Court Refurbishment	0	300	202
Regeneration 6 Station Road	402	467	4
Regeneration: Seafront Regeneration	400	0	0
Regeneration: Aberafan Aquasplash	350	350	0
Regeneration: Employment & Business Start Up Space	500	500	6
Regeneration: Neath Town Centre Redevelopment	8,250	3,000	440
Regeneration 8 Wind Street	580	760	114
Regeneration: Former Crown Buildings Development	3,820	3,400	1,487
Regeneration: Neath Transport Hub	1,975	1,475	0
Regeneration: Property Enhancement Development Grant	1,160	1,000	3
Regeneration: Swansea Bay Technology Centre	5,100	4,692	167
Regeneration: Afan Forest	0	250	0
Regeneration: Cefn Coed Valley Landscape Park	1,900	1,900	4
Regeneration: Other	1,228	1,153	46
School IT/ Vehicle Financing	640	390	44
Capital Maintenance - SSHH	150	201	73
Hillside Secure Unit Improvement Works	2,000	1,737	2
Efficiency & Warm Homes	799	211	41
Disabled Facilities Grants	3,000	3,184	196
Schools & Leisure Maintenance - Additional Maintenance and Improvements	1,000	0	0
Capital Maintenance for Schools – previous year grants	3,599	1,559	340
Regeneration – various projects	575	565	0

	Current Budget £'000	Proposed Budget £'000	Actual @ 30 Sept 20 £'000
Maintenance - Unadopted structures and Council owned Tips	250	308	153
Information Technology and Agile Working	250	267	193
Other	659	2,504	1,120
Contingency	449	270	0
Total	87,920	77,684	18,301