



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

### **CABINET**

**30<sup>th</sup> June 2021**

### **Report of the Director of Finance and Corporate Service Hywel Jenkins**

#### **Matter for Decision**

**Wards Affected: All Wards**

#### **Investments from Reserves 2021/22**

#### **Purpose of the Report:**

To seek authority to approve additional investments in service activities funded from reserves

#### **Background:**

As members are aware the specific reserves position as at 31 March 2021 improved by £8m for Schools and £12m for the remainder of the Council. This was due to the significant additional funding provided by the Welsh Government mainly at the end of the financial year. This provides the opportunity for council to review its investment options to assist residents, businesses and service users as we move through the next stages of Recover from the Covid pandemic.

This report is prepared for members' consideration following the Leader of Council's recent presentation to Council and request that officers prepare a report for members to consider investment of a portion of these additional funds. The following is the relevant section of his presentation at the recent Council meeting:

The resources provided at the year-end by Welsh Government, together with the prudent financial management we have exercised over many years will, as you will shortly see in the revenue outturn report, give us welcome financial resources to begin this work (to recover from the impacts of Covid).

I have asked officers to provide early advice on how we can earmark a portion of our reserves to target a number of priorities. These include actions to:

- Support people and businesses as the economy opens up;
- Encourage the great community action we have seen across the county borough;
- Encourage people to continue to be more active and play their part in protecting our environment;
- Support our town centres; and to
- Support our schools in the vitally important work they are doing with learners and families.

## **Capital Programme 2021/22 and Grants Bids to UK Grant Funds**

As part of this report I wished to remind members of the significant **£80m investment** already approved by Council at its meeting of the 9<sup>th</sup> March 2021 through the Capital Programme.

The main outcomes from this investment include:

- The opening of a new Comprehensive School in Cimla to replace the current Cefn Saeson Comprehensive School.

- Progressing the build of the new Primary school which will replace Abbey Primary.
- Progressing the build of the third phase of works at Ysgol Gymraeg Ystalyfera (WMN).
- Continue with the development of the activity investment proposal at Margam Park.
- Progress with the regeneration programme including Harbourside, Neath Town Centre redevelopment, Plaza, and the Technology Centre.
- Continued investment of £3m in Disabled Facilities Grants.
- Redevelopment works at Hillside Secure Unit.
- Investment in school buildings and ICT.
- The Council's Waste Facility at Crymlyn Burrows will be remodelled as a Transfer Station with enhanced recycling capacity and facilities to accommodate the Council's expanding recycling operation.

Members should also note that the programme includes general maintenance allocations for the following:

<b>Service</b>	<b>2021/22 £'000</b>
Education	1,100
Schools ICT – HWB Grant Sustainability	150
Leisure	150
Margam Castle Stonework Repairs	100
Highways and Engineering Maintenance	1,625
Additional Highways Improvements	275
<b>Environment Street Scene Improvements</b>	<b>500</b>
Flood Prevention Initiatives – Continuation of 2020/21 projects	250
Neighbourhood Improvements	150
Pavilions	100
Regeneration	2,275
Match Funding – Former Plaza	150
Match Funding – Metal Box	250

<b>Service</b>	<b>2021/22 £'000</b>
Disability Access	150
Health & Safety	850
Social Services	150
Disabled Facilities Grants	3,000
Civic Accommodation Modernisation	150
Decarbonisation Strategy (DARE) including Electric Vehicle Charging Stations	100
CCTV Replacement	150
Income Generation Proposals	50
Contingency	543
<b>Total</b>	<b>12,218</b>

In relation to the £500k investment in street scene improvements a report is due to be presented to the Streetscene and Engineering Cabinet Board on 2<sup>nd</sup> July 2021 setting out the following projects:

	2021/22 (£)
Renewal of Coloured Surfacing & High Friction Surfacing	75,000
Fabian way - speed limit reduction	30,000
Bus shelter replacement	75,000
Speed message signs & Zebra Crossing/Belisha Renewals	42,000
Replacement Playground Equipment	75,000
Works to Mosshouse Reservoir	40,000
Rebuilding of 'second wall', Fish Pond Reservoir, Gnoll	25,000
Bi-fold doors from Café to new outdoor seating area at Gnoll	18,000
Parapet Repair & Refurbishment, Ystalyfera Aqueduct	45,000
Non-highway cycleway resurfacing and maintenance	75,000
<b>Total</b>	<b><u>500,000</u></b>

## **NPT Bids to UK Governments Levelling up Fund**

The Council has also submitted funding bids to the UK Governments Levelling Up Fund. The two bids, covering the Neath and Aberavon constituency areas, **total over £10m** and if successful will further improve local facilities and communities e.g. from the Commercial Property Grant Schemes - that will enable businesses, in communities across the County Borough, to acquire and improve local properties back into operational use. The bids include:

### Neath - £4.541m

- Neath town centre piazza development providing community and green space (£1.541m).
- Commercial Property Grant Funding internal and external works to commercial properties across the county borough (£3m).

### Aberavon - £5.485m

- Port Talbot Civic Square Re-purpose as a multi-purpose community space (£1.226m).
- Port Talbot Riverside development Riverside development including green infrastructure and a children's play area (£1.259m).
- Commercial Property Grant Funding internal and external works to commercial properties across the county borough (£3m).

Due to time constraints and the late announcement of the grant criteria it is envisaged that when further opportunities to bid for these UK wide grants are made available we will have identified and developed other projects for submission.

## NPTCBC bid to UK Community Renewal Fund £2.7m

The following table shows the bid submitted for this financial year to the UK Community Renewal Fund totalling £2.7m. It is expected that further grant rounds will be announced by the UK Government, probably later this year, and officers will be looking to develop a pipeline of projects that will be ready to submit when such opportunities arise.

	£	
Swansea University - Green Infrastructure Map	438,103	To create a resilient green infrastructure network in the county borough
Swansea University - STEMS Skills	334,440	To upskill young people with high quality STEM employment skills
Neath Port Talbot CBC - Supporting Business Growth & Innovation	118,348	Trial new business support interventions to meet gaps in provision. Equip businesses with the skills they need to exploit new growth opportunities.
Neath Port Talbot CBC Jobstart	500,000	To support unemployed and economically inactive people unable to access existing provision, into sustainable employment.
Neath Port Talbot CBC Next Steps	499,552	To support young people with emotional wellbeing, re-engage into school, careers & training
Neath Port Talbot CVS Grant scheme	500,000	Grant support for third sector organisations focusing on skills, social enterprise support, decarbonisation activities.
Computeraid Digital Bridges	309,070	To enhance individual digital skills to support participation in the digital society
<b>Total</b>	<b>2,699,513</b>	
Administration Fee	60,000	
<b>Grand Total</b>	<b>2,759,513</b>	

## Proposals for Investment

In addition to the investments mentioned above this report proposes that members consider approving the following spend from reserves (these will occur over the next few years):

### Community improvement investment

- Members Community Fund £640k – updated criteria for Cabinet approval on 30<sup>th</sup> June 2021 is being proposed that will enable all 64 members' to support community improvements this year and for full spend by 31<sup>st</sup> March 2023.
- Employ additional staff and develop proposals to augment the work of what Local Area Co-ordinators are doing to provide an enhanced response during the Covid recovery period. Early intervention and prevention activities also support and encourage communities and third sector to become stronger. The funding from the Community Resilience Reserve initially of £300k over the next 2 years will be used to supplement the Neighbourhood Approach funding that is only certain for this current financial year. Further consideration of support from this reserve will be made at budget setting for financial years i.e. from 2022/23.

### Investment to support businesses and employment

- Metal Box – The office space has already been let and there is demand for using the large commercial floor space from a number of companies. It is therefore proposed to invest the reserve of £356k to fund revenue costs and to supplement capital investment and borrowing of circa £1m (final cost to be confirmed) to divide the large commercial space into 3 units for operational use. This work will also generate an increase in rental income.
- Grants to small businesses of up to £20k each to help them succeed into 2022 and beyond (max of £260k)

- Commercial Property Grants – promote now in advance of knowing outcome of UK Levelling Up Fund bid so that improvements can be achieved by 31 March 2022. (max of £250k)

### Investment in streetscene and facilities

- Aberavon seafront improvements to kiosk and toilet facilities. The Council has recently submitted a grant bid for funding of Changing Place Toilets to provide a dignified service to disabled people.
- To employ seasonal staff from end of January 2022 to improve the appearance, maintenance of shrubs in town centres, valleys and across communities of the County Borough - £135k.
- Place scene improvements such as street furniture, street scene painting, roundabout initiatives, bus shelters, playground equipment, sign renewals. NB some of the Members Fund resources might also be spent on some of these areas.
- Vehicle Renewals of £1.465m is being budgeted for in-year.
- The DARE Reserve totalling £2m will be used over the coming years to deliver the council's decarbonisation, energy, vehicle, transport and electric charging points' strategy. The reserve will be released to deliver top-up investment for projects due to the higher investment costs and to top-up grant bids requiring match funding.

### Summary of Service Investments

	<b>£m</b>
Capital Programme	80.170
Members Community Fund	.640
Vehicle Renewals Programme	1.465
Metal Box Investment	1.000



	<b>£m</b>
DARE Investments – estimate from reserve (plus base budget and external grants over next 2 years)	.300
Corporate Contingency Fund allocation for seasonal staff, other streetscene & property grants	1.300
Community Resilience Fund – investment to augment the work of Local Area Co-ordinators	.300
<b>Grand Total</b>	<b>85.175</b>

**Financial Impact:**

The investment of an additional £5m funded from Reserves and borrowing will supplement the significant improvements set out in the Council’s Capital Programme and external funding bids over the next few years.

**Integrated Impact Assessment:**

A first stage integrated impact assessment has been carried out and shows that a full assessment is not required for this report.

**Valleys Communities Impacts:**

The investments set out in this report will be across the whole of the County Borough including valley communities.

**Workforce Impacts:**

This proposal will provide additional capacity for community development work. Seasonal staff will also be employed earlier in the financial year.

**Legal Impacts:**

There are no specific legal impacts generated from this report.

**Risk Management Impacts:**

These will be managed via employment arrangements and contract work.

**Consultation:**

There is no need for external consultation on this item.

**Recommendation:**

It is recommended that Cabinet having considered the Integrated Impact Assessment approve the investments set out in this report.

**Reasons for Proposed Decision:**

To provide additional capacity and support to businesses, service users and communities as we recover from the impacts of Covid.

**Implementation of Decision:**

The decision will be implemented after the 3 day call in period.

**Appendices:**

Appendix 1 – Integrated Impact Assessment

**List of Background Papers:**

None

**Officer Contact:**

Hywel Jenkins, Director of Finance and Corporate Services

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**Impact Assessment - First Stage**

**1. Details of the initiative**

<b>Initiative description and summary:</b>  To seek authority to approve additional investments in service activities funded from reserves. This will be in addition to the already approved capital programme investments, revenue budgeted services and grant bids to the UK Levelling Up and UK Community Renewal Funds. There are 3 areas of investment proposed under the following theme areas: Community improvement investment; Investment to support businesses and employment and Investment in streetscene and facilities
<b>Service Area:</b> All
<b>Directorate:</b> All

**2. Does the initiative affect:**

	<b>Yes</b>	<b>No</b>
Service users	X	
Staff	X	
Wider community	X	
Internal administrative process only		X

**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		X				The proposal is to provide additional investment to improve or enhance services to improve communities, facilities and employment opportunities.
Disability		X				
Gender Reassignment		X				
Marriage/Civil Partnership		X				
Pregnancy/Maternity		X				
Race		X				
Religion/Belief		X				
Sex		X				
Sexual orientation		X				

**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		X				No impact on the people's opportunity to use the Welsh language
Treating the Welsh language no less favourably than English		X				No impact on treating 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		X				The allocation of these funds for 2021/22, will not affect biodiversity.
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.		X				The allocation of these funds for 2021/22, will not affect ecosystems.

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

	Yes	No	Details
<b>Long term</b> - how the initiative supports the long term well-being of people	X		The investment will assist in providing visible improvements throughout the borough
<b>Integration</b> - how the initiative impacts upon our wellbeing objectives	X		Providing the investment will assist in the well-being objectives throughout the County Borough
<b>Involvement</b> - how people have been involved in developing the initiative	X		These proposals have been prepared following internal discussions to identify investments that can improve outcomes for people across the County Borough.

<b>Collaboration</b> - how we have worked with other services/organisations to find shared sustainable solutions	X		The proposals and their delivery involves collaboration between internal sections of the council.
<b>Prevention</b> - how the initiative will prevent problems occurring or getting worse	X		The proposal recognises the importance of investing in communities, businesses and employment to improve/ maintain local opportunities and outcomes across the County Borough.

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

A full impact assessment (second stage) <b>is not</b> required	X
Reasons for this conclusion. This investment from reserves will improve or maintain the quality of business facilities, communities and job opportunities in the County Borough in a positive way from some of the additional reserves created at 31 March 2021.	

A full impact assessment (second stage) <b>is</b> required	
Reasons for this conclusion	

	<b>Name</b>	<b>Position</b>	<b>Date</b>
Completed by	Huw Jones	Head of Finance	22 June 2021
Signed off by	Hywel Jenkins	Director of Finance & Corporate Services	23 June 2021