

DYDD MAWRTH, 19^{EG} GORFFENNAF, 2022

AT: HOLL AELODAU'R CABINET

YR WYF DRWY HYN YN EICH GALW I FYNYCHU CYFARFOD AML-LEOLIAD O'R CABINET A GYNHELIR YN Y SIAMBR, NEUADD Y SIR, CAERFYRDDIN, SA31 1JP NEU O BELL AM 10.00 Y.B. AR DDYDD LLUN, 25AIN GORFFENNAF, 2022 ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA SYDD YNGHLWM

Wendy Walters

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Y CABINET

AELODAETH – 10 AELOD

Cynghorydd	Portffolio
Cynghorydd Darren Price	Arweinydd
Cynghorydd Linda Evans	Dirprwy Arweinydd ac Aelod Cabinet dros Gartrefi
Cynghorydd Glynog Davie	Addysg a'r Gymraeg
Cynghorydd Ann Davies	Materion Gwledig a Pholisi Cynllunio
Cynghorydd Philip Hughes	Trefniadaeth a'r Gweithlu
Cynghorydd Gareth John	Adfywio, Hamdden, Diwylliant a Thwristiaeth
Cynghorydd Alun Lenny	Adnoddau
Cynghorydd Edward Thomas	Gasanaethau Trafnidiaeth, Gwastraff a Seilwaith
Cynghorydd Jane Tremlett	Iechyd a Gwasanaethau Cymdeithasol
Cynghorydd Aled Vaughan Owen	Newid Hinsawdd, Datgarboneiddio a Chynaliadwyedd

AGENDA

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2. DATGAN BUDDIANNAU PERSONOL
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HYN YN BREIFAT, GORCHMYNNIR I'R CYHOEDD ADAEL Y
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**Y CABINET
25 GORFFENNAF 2022**

CRONFA FFYNIANT GYFFREDIN Y DU

Y Pwrpas:

Rhoi trosolwg o Gronfa Ffyniant Gyffredin y DU a chael cymeradwyaeth yr Aelodau i'r Cynllun Buddsoddi Rhanbarthol ar gyfer De-orllewin Cymru.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

Bod yr Aelodau yn gwneud y canlynol:

- 1) Cymeradwyo'r camau a gymerwyd hyd yn hyn a fydd yn galluogi'r Sir i elwa o Gronfa Ffyniant Gyffredin y DU
- 2) Cymeradwyo'r Cynllun Buddsoddi Rhanbarthol ar gyfer De-orllewin Cymru sy'n nodi sut y bydd Cronfa Ffyniant Gyffredin y DU yn cael ei defnyddio yn y rhanbarth rhwng 2022/23 a 2024/25, cyn cyflwyno'r cynllun i Lywodraeth y DU

Y Rhesymau:

Mae Cronfa Ffyniant Gyffredin y DU yn rhan ganolog o agenda Ffyniant Bro Llywodraeth y DU. Mae dyraniad cyllid wedi'i gadarnhau ar gyfer Sir Gaerfyrddin a fydd yn ein galluogi i gyflawni rhai o amcanion strategol y Sir.

Angen ymgynghori â'r Pwyllgor Craffu perthnasol NAC OES

Angen i'r Cabinet wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:-

Y Cynghorydd Gareth John, yr Aelod Cabinet dros Adfywio, Hamdden, Diwylliant a Thwristiaeth

Y Gyfarwyddiaeth:
Enw Pennaeth y
Gwasanaeth:
Jason Jones

Awdur yr Adroddiad:
Rhian Phillips

Swyddi:
Pennaeth Adfywio
Rheolwr Rhanbarthol –
Datblygu Economaidd

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EXECUTIVE SUMMARY

CABINET

25 JULY 2022

UK SHARED PROSPERITY FUND (UKSPF)

Purpose

The purpose of this report is to provide an overview of the UK Shared Prosperity Fund (UKSPF) and to seek Members' endorsement of the Regional Investment Plan for South West Wales, attached as Appendix A, which sets out how the UK Shared Prosperity Fund (UK SPF) will be used in the region between 2022/23 and 2024/25.

Background

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda and will provide funding over the next 3 years up until March 2025. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competition. Its mix of revenue and capital funding can be used to support a wide range of interventions to build pride in place and improve life chances.

The UKSPF total for the region is made up of 'core' funding, which will fund most of the Fund's Priorities and the Multiply programme which focuses on supporting adult numeracy initiatives. The allocation for each of the local authorities across the region is as follows:

Total	Core UKSPF	Multiply	Total
South West Region	£113,985,415	£23,739,072	£137,778,487
Carmarthenshire	£32,002,918	£6,680,221	£38,683,139
Neath Port Talbot	£28,448,295	£5,938,236	£34,386,532
Pembrokeshire	£19,125,971	£3,992,314	£23,118,286
Swansea	£34,408,230	£7,182,300	£41,590,530

This funding will be invested in the three priorities of the UKSPF by March 2025:

1. Communities and place
2. Support for local businesses
3. People and skills

Delivery Approach.

In Wales, UK government supports delivery across the four regional strategic geographies. Local government is being given responsibility for developing a regional investment plan for approval by the UK government, and for delivery of the Fund thereafter. A 'lead local authority' for the region will receive the Region's allocation and have overall accountability for the funding and how the Fund operates. It has been agreed that Swansea Council will act as the lead Authority on behalf of the South West region.

Investment Plan

In order to access their allocation, lead local authorities are being asked to complete a Regional Investment Plan, setting out how they intend to use and deliver the funding at a very high level. The investment plan is due to be submitted to UK government by 1st August.

Due to the short timescales involved, each local authority has prepared a local investment plan which has fed into the wider Regional plan for South West Wales. The Investment Plan for Carmarthenshire has been drafted based on our existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan.

Members endorsement of the South West Wales Regional Investment Plan is sought prior to its submission to UK Government by the 1st August 2022. A copy of the South West Wales Investment Plan is appended to this report at Appendix A.

OTHER OPTIONS AVAILABLE AND THEIR PROS AND CONS

The UK Government has allocated funding over the next 3 years which will help address some of the challenges facing the County. With funding from EU programmes drawing to a close, the UKSPF presents an opportunity to draw down further investment into the County.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Jason Jones**

Head of Regeneration

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	YES	NONE

1. Policy, Crime & Disorder and Equalities

The Shared Prosperity Fund provides an opportunity to draw down additional investment which will help deliver against some of the County's key strategic objectives.

In order to access the funding, lead local authorities are being asked to complete an investment plan, setting out how they intend to utilise the funding based on local needs and opportunities.

The Investment Plan for Carmarthenshire has been drafted based on our existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan. This local plan has fed into the wider Regional Investment Plan for the South West region.

2. Legal

Local government is being given responsibility for delivery of the UKSPF. Swansea Council will act as the 'lead local authority' for the South West region and will have overall accountability for the funding and how the Fund operates.

Delivery and management of the programme in Carmarthenshire will be the responsibility of the Authority. This will include assessing and approving local project applications, entering into funding agreements with third parties as well as processing payments and day-to-day monitoring.

Appropriate agreements will be put in place between the Regional lead and the Authority which will set out agreed roles and responsibilities.

At a project delivery level, the Authority will enter into a funding agreement with all delivery partners. These will be developed in conjunction with the Authority's legal team at the appropriate time.

3. Finance

Whilst Swansea Council will act as the accountable body for the region and receive the Region's allocation via UK Government, delivery and management of Carmarthenshire's £38.6m allocation will remain the responsibility of the Authority.

A dedicated local team will be established to undertake the necessary fund administration. Grant management processes and procedures will be established to ensure that the funding is managed in accordance with the fund requirements. This will involve the establishment of funding agreements with third parties as well as the establishment of procedures for processing payments, monitoring of financial spend, audit requirements etc. These will be developed in conjunction with Corporate services.

5. Risk Management Issues

A programme level risk management process will be developed to ensure that risk is assessed and managed at all levels.

Individual risk registers will be maintained at project level together with appropriate mitigation measures.

6. Staffing Implications

To manage the UKSPF at a local level, a dedicated team will need to be established to ensure that the necessary processes and procedures are put in place to administer the UKSPF. The Team will sit within the Bureau.

Each lead local authority will be able to use up to 4% of their allocation to undertake the necessary Fund administration, such as project assessment, contracting, monitoring and evaluation and ongoing stakeholder engagement. Carmarthenshire will receive a share of the regional amount. The exact level of funding is to be determined.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **Jason Jones**

Head of Regeneration

1. Scrutiny Committee

N/A

2. Local Member(s)

An online external consultation' which sought the views of key stakeholders' investment priorities (not projects) was launched on 31st May and closed on 13th June. The online consultation was shared with all Members, providing an opportunity for them to feed into the process.

3. Town/community Councils

Town and community councils have been given an opportunity to input via the online consultation.

4. Relevant Partners

As noted above, various stakeholders have been given an opportunity to input via an online consultation. The consultation was shared with over 50 organisations across the county. In addition, a Carmarthenshire Regeneration Partnership has been established which includes representatives from public, private and third sectors, whose role to date has been to assist in designing the investment plan.

5. Staff Side Representatives and other Organisations

N/A

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

YES

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Shared Prosperity Fund Prospectus		https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus

SHARED PROSPERITY FUND

Introduction:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda and will provide funding over the next 3 years up until March 2025. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competition. Its mix of revenue and capital funding can be used to support a wide range of interventions to build pride in place and improve life chances.

The overall UKSPF total for the region is made up of 'core' funding, which will fund most of the Fund's Priorities and the Multiply numeracy programme.

The UKSPF core funding will be invested in the following three priorities:

- Communities and place
- Support for local businesses
- People and skills

Multiply will be delivered as part of the people and skills priority and is a new programme to help transform the lives of adults across the UK, by improving their functional numeracy skills through free personal tutoring, digital training, and flexible courses. Adults who need to improve their numeracy (up to and including Level 2/SCQF Level 5) will be able to access free flexible courses that fit around their lives, whether that be in person or online, at work or in the evening, part time or intensive.

The allocation for each of the local authorities across the region is as follows:

Total	Core UKSPF	Multiply	Total
South West Region	£113,985,415	£23,739,072	£137,778,487
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Pembrokeshire	£19,125,497	£3,992,314	£23,118,286
Swansea	£34,408,230	£7,182,300	£41,590,530

Designation of Lead Authority

In Wales, UK government supports delivery across the four regional strategic geographies. Local government is being given responsibility for developing a Regional Investment Plan for approval by the UK government, and for delivery of the Fund thereafter. A 'lead local authority' for the region will receive the Region's allocation and have overall accountability for the funding and how the Fund operates. It has been agreed at officer level that Swansea Council will act as the lead Authority on behalf of the South West region. This decision was

agreed and minuted by Swansea Council's Chief Executive Officer and Leader at a Cabinet and Corporate Management Team meeting on 16 June 2022. It is understood that a formal decision of Swansea's Cabinet will be made at their meeting in September 2022.

Investment Plan

In order to access their allocation, lead local authorities are being asked to complete a Regional Investment plan, setting out how they intend to use and deliver the funding at a very high level. The Regional Investment Plan covers the unitary authority areas of Pembrokeshire, Carmarthenshire, Swansea and Neath Port Talbot but there are separate financial allocations for each area.

The template and guidance provided by Department for Levelling Up, Housing and Communities (DLUHC) require that the Investment Plan is a high-level strategic document, without specific information regarding the projects that will ultimately be funded.

Each local authority has prepared a local investment plan which has fed into the wider Regional Investment Plan for South West Wales. The Investment Plan for Carmarthenshire has been drafted based on our existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan.

Key features of the Carmarthenshire Plan under the Communities and Place priority include the need to expand and build on the third sector's role in delivering effective and resource efficient services and to further support structural changes within the sector as well as community-based measures to ease access to local services as well as leisure and cultural activities. Harnessing the potential of the circular economy as well as environmental and green developments which will help support the County's transition to a net zero economy are clearly identified along with the need to support town centre recovery. A specific focus on the recovery and growth of rural towns and their surrounding areas has also been highlighted.

Under the Supporting Business priority, the focus is on the expansion of existing firms and the start-up and attraction of new ones. The opportunities afforded through the localism approach ensuring that these businesses are supported to access the right skills at the right time, have access to increased capital investment, have access to better infrastructure and make better use of technology as well as advancing progressive procurement in the county with a focus on community wealth are all highlighted within the plan.

In relation to the skills priority, creating a growing and resilient local labour market is highlighted as a priority, providing individuals with the skills required by local employers. With the County experiencing high levels of economic activity there is a strong focus on supporting people into work through bespoke programmes, offering a menu of training opportunities including access to basic skills, employability support, mentoring and work placements to improve employment outcomes for specific cohorts who face labour market barriers including 50+.

Youth engagement, both pre and post 16 provision is also an area which has been highlighted including working with those at risk of NEET or already NEET children.

The Welsh language is included as a key overarching theme which extends to the protection, promotion and facilitation of the Welsh language in everything that we do, recognising its importance in creating a sense of place for Carmarthenshire and its people.

The Carmarthenshire Investment Plan priorities have been incorporated into the wider Regional plan. As well as setting out the challenges and opportunities facing the region in relation to each of the three strategic themes of the Shared Prosperity Fund, the document proceeds to set out information about the interventions we propose to use in the region as set out in the national guidance. Proposals for the delivery and governance of UK SPF in South West Wales as well as consultations that have taken place at a local and regional level are also detailed within the regional plan.

Whilst it is likely that the primary method of allocating funds will be by competition (as preferred by the UK Government), at a Carmarthenshire level we have also identified the need to establish a number of grant schemes focused on town centre developments; property development grants as well as community and business grants which will provide the mechanism for local communities and businesses to access support via the UKSPF from the outset. These have been incorporated within the Regional Plan.

The Regional Investment Plan must be submitted to UK Government by 1st August at the latest by Swansea Council. If approved, it will lead to the unlocking of the allocations for South West Wales. It will also be the Regional Investment Plan against which DLUHC will monitor our progress and implementation. Once agreed by DLUHC we believe that DLUHC will issue a funding agreement to Swansea Council as the lead authority and that subsequently an agreement will be put in place between Swansea Council and this Authority.

Consultations

UK government is keen that the insight and expertise of local partners including local businesses, public and third sectors as well as Members of both UK and Welsh Government is sought in the production of the plans. A Carmarthenshire Regeneration Partnership has been established who have been engaged and consulted as part of the process. The Partnership will also have an on-going role in overseeing the delivery of the UKSPF at a local level.

Local Members and local stakeholders have also been consulted via an online consultation' which sought the views of key stakeholders' investment priorities (not projects) which was launched on 31st May and closed on the 13th June.

In addition, a Corporate Funding group has been established, facilitated by the Bureau, which includes cross departmental representation. The group has been meeting regularly over the last few months to ensure that they are regularly informed and to ensure that our corporate priorities are fed into the process.

At a regional level, the Regional Learning and Skills Partnership organised an event on 20 June when organisations from across South West Wales were invited to comment on the skill requirements of the region. A further regional stakeholders event was held on the 18th July 2022, led by Swansea Council.

The information gathered from these consultations has had a direct influence in shaping and refining the proposals contained in both the local and the Regional Investment Plan.

Timeframe

The following timeline illustrates the activities undertaken to date in Carmarthenshire to ensure that the deadline set by UK government is met:

When	Activity
30 May 2022	Leader and Cabinet Member briefing on SPF
31 May 2022	External two week on-line consultation on interventions needed for Carmarthenshire.
w/c 13 June 2022	Series of engagement events and consultations planned: <ul style="list-style-type: none"> • Internal corporate funding group meet to review draft investment plan • SPF Sir Gar Partnership meeting to review draft investment plan and secure partner input to include MPs and Members of the Senedd
23 rd June	Local investment plans collated to produce regional document
w/c 4 th July	Regional consultation event
w/c 11 th July	Advice from regional consultation incorporated in regional plan
25 July	Deadline for political sign-off of investment plan
29 July	Investment plan is submitted to UK Gov via portal
1 August 2022	Investment plan window closes

Conclusion

Considerable progress has been made over the last few months in preparing for the new UKSPF. Submission of the Regional Investment Plan to UK Government will ensure that the Region is a step closer towards drawing down significant investment into the County and wider region.

UK Shared Prosperity Fund

Investment Plan Drafting Template

Version 2
July 2022

Your location

To be eligible for funding, you will need to be applying on behalf of a lead authority in one of the [delivery geographies](#).

Select the lead authority: Swansea Council

For Scotland and Wales only: Who else is this investment plan being submitted on behalf of? Select all that apply

Carmarthenshire County Council

Neath Port Talbot County Borough Council

Pembrokeshire County Council

Your details

Name:

Email address:

Phone number

Organisation name: Swansea Council

Local challenges and opportunities

In this section, we will ask you:

- If you've identified any challenges or opportunities, you intend to support
- Which of the UKSPF investment priorities these fall under

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

South West Wales has a diverse economy and a unique set of natural and cultural assets. Economically, our industrial heritage combines with some of the UK's most significant marine energy potential, driving major opportunities for decarbonisation and the growth of the UK's Green Economy. Environmentally, the coastline and countryside – including the Pembrokeshire Coast and Brecon Beacons National Parks and the Gower Area of Outstanding Natural Beauty – contribute to a superb visitor offer and quality of life. Culturally, the region encompasses the dynamic, growing university city of Swansea, a diverse and distinctive network of rural towns and an increasingly vibrant Welsh language.

The region contains much diversity, especially within the rural/ urban dimension. Despite diversity across the region, there is substantial commonality, and some of the big opportunities have a region-wide footprint. However, some of them extend beyond the region itself, and outward facing links will be important. A range of key questions present themselves under the banner of community cohesion:

- How we respond to the needs of our ageing population so that people can live healthy, long and good lives;
- How we can continue to deliver excellent public services whilst unprecedented cuts to public spending continues;
- How we can reduce the gap between the least and most deprived in each county, especially our children and young people so that every child has the best start in life;

- How we help communities to sustain themselves and build a climate where people look out for one another;
- How we balance the changing expectations of a generation who demand services through new technologies, whilst making sure that those who are presently digitally excluded are not left behind;
- How we make sure we protect and enhance our local environment so that it can be appreciated for many generations to come;
- How to address loneliness, isolation, mental health;
- How we rebalance the distribution of opportunity and wealth between urban centres and rural / valley communities.

Common challenges across the region under the Communities and Place priority are:

Revitalising City Centre and Town Centres

Swansea City Centre, our towns and smaller communities are the focal points for economic and social activity across the region. The move away from the high street to internet and out-of-town shopping, coupled with a lack of fit for purpose commercial and retail premises were creating growing levels of vacant premises and declining footfall even before the covid pandemic.

Declining footfall and increasing costs are reducing businesses' ability to invest in the appearance of their premises. This has a negative impact on attractiveness of high streets and local pride in place, and creating a downward spiral. This situation has been exacerbated by the pandemic, with the failure of local and national retailers leading to increased numbers of vacant premises and successive lockdowns hitting footfall, marring the vibrancy of high streets across the region.

Springboard data for June 2022 shows that, whilst footfall in Swansea city centre is starting to recover it remains 24.2% below pre pandemic 2019 levels. In Pembrokeshire, vacancy rates remain above Wales' national average for Fishguard, Haverfordwest, Milford Haven and Pembroke Dock. Milford Haven town centre recorded the highest vacancy rate of A class units in Pembrokeshire in 2021 at 29%.

There is an imbalance in uses across places between retail, leisure, hospitality, residential – and the start of a shift that occurred during the pandemic to build on. There is a lack of smaller scale commercial space for micro businesses and opportunities to capitalise on the potential for co-working spaces in local communities to provide an alternative to the increase in home working that has occurred during the pandemic.

This is a continued need to invest in the city centre and town centres across the region to:

- encourage sustainable growth and their transformation into places to live, work, learn and take part in leisure activities;
- Attract a greater diversity of uses;
- Enhance the town centre environment, public realm, heritage and cultural offer, both for existing residents and for new investors and visitors;
- Improve accessibility (for example, building on the experience of the new Port Talbot transport interchange);
- Secure alternative uses for redundant properties, including meanwhile use;
- Attract commercial investment;
- Develop opportunities for community ownership and leadership.

Up to this point a predominance of capital funding and lack of revenue support has constrained the ability to design targeted interventions to support communities and business such as events and other footfall generators.

Covid Recovery, Poverty and cost of living crisis

In common with all parts of the UK, South West Wales continues to suffer from the impact of the Covid pandemic and subsequent global economic shocks impacting on cost of living. For example, approximately 21,000 working age adults and 7,500 children live on an income of less than 60% median in Neath Port Talbot, household incomes (£16,262 in 2019) in Swansea are below Wales (by 5.8%) and UK levels (by 24.1%) and growing more slowly, 29,444 households in Carmarthenshire are living in poverty. These lower wage levels are being squeezed by the cost of living crisis with rising energy and food costs making it increasingly difficult for households to make ends meet, with fuel and food poverty impacts amongst others.

Those in the most difficult circumstances prior to these shocks are now in an even worse position. Food banks are prevalent across the region.

The pandemic has increased loneliness and isolation, reduced confidence and had a negative impact on mental health. Limitations in information flow within communities, and an over-reliance on social media, leaves out significant part of demographics of places. We need to create opportunities to bring people back into local community activity, and build capacity in local communities and empower more grass roots activity to reduce the dependency on the public sector

According to the End Child Poverty Coalition, commenting on DWP data from May 2020, Pembrokeshire has the highest rate of child poverty in Wales with 31.3% of children living in poverty after housing costs were taken into account. The effect of poverty on children has been well-researched, and is known to result in poorer physical and mental health, lower educational attainment and impaired life chances whether measured in terms of career progression, contact with the criminal justice system or life expectancy.

Poverty is found in every part of the region, and in many places there are above average rates of poverty and deprivation that will require more targeted interventions. In the 2019 Welsh Index of Multiple Deprivation (WIMD), Swansea has an above average proportion of its Lower Super Output Areas (LSOAs) featuring in the most deprived 10% in Wales, with 17 (11.5%) of its 148 LSOAs in the 191 (10%) most deprived. In Neath Port Talbot, the greatest concentrations of deprivation according to WIMD 2019 were in Sandfields and Aberavon within the Port Talbot urban area, Briton Ferry, parts of Neath and the area around Croeserw in the upper Afan Valley. More generally, the distribution of deprivation is associated with parts of urban Neath and Port Talbot and with the post-industrial upper Valleys.

With the continued increase in the cost of living the challenge is to improve living standards to ensure those in employment are not worse off than they were on benefits. There is an increased requirement for additional welfare rights support, debt advice, financial support and digital inclusion to access online services, as well as ensuring access to wellbeing enhancing facilities and open spaces, but also extends to involvement in and benefiting from community-based measures to reduce the cost of living.

Ageing population

Responding effectively to the needs of ageing population can place additional pressures on services, therefore helping people to age well and lead as independent lives as possible is both a challenge, and an opportunity. A key consideration in this regard is ensuring that older people have access to existing cultural, historic and heritage institutions to counter the effects of isolation. This extends to ensuring that older people have access to local sports facilities to enjoy appropriate and relevant activities to increase wellbeing. In addition, the rates of older people in poverty are increasing, thought in part to be as a result of individuals entering retirement with insufficient savings or earnings. This is made worse by the rising cost of living and compounded by the fact that pensioners have very little opportunity to increase their income to counteract these effects. Evidence also indicates that pensioners are least likely to check what benefits they are entitled to. It is therefore imperative that older people are able to benefit from community-based measures to reduce the cost of living.

Disability and Health Conditions

A significant cohort of individuals with disabilities or limiting health conditions exists across the region. It is particularly important therefore, that consideration is given to ensuring that these individuals are able to make positive contributions to their local communities and enjoy the services and activities available. There are opportunities here to ensure that improvements made to existing (or the creation of new developments) are designed with these individuals in mind. This is both an access issue and a relevance issue. In addition, individuals from this group are more likely to be detrimentally affected by the cost-of-living crisis and therefore there are opportunities here to support these individuals through inclusion in developments designed to counter these affects (as noted above). Since the onset of the pandemic, there has been an increased complexity in support needs seen with mental health issues, contributing to individuals needing longer and more intense periods of support.

There is much evidence which substantiates the positive impacts that the natural and built landscape can have on wellbeing, serving to counteract the sometimes-devastating effects of mental health issues for individuals and their families. There are clear opportunities here for consideration to be given to the design of community-based interventions and in improvements made to the accessibility of these services.

Wellbeing

Covid-19 has had a severe impact on mental health. Mind Cymru has reported that more than half of adults (60% of those over 25) and three quarters of young people (74% of those aged 13-24), said that their mental health has worsened during the period of lockdown restrictions in spring 2021. Loneliness affects the mental health of young people more significantly than the mental health of older people. While over three quarters (78%) of young people said that loneliness had made their mental health worse during lockdown, this rose to 85% for 18–24-year-olds.

Isolation is not limited to older people - there are also many young people that lack the confidence and ability to access services, many of whom do not have access to transport.

Rural and valley communities

South West region is characterised by rurality, which sets our places and destinations in stunning natural environment, but also presents challenges in delivery of and access to services in areas of very low population density, ongoing viability of small farming communities, transport connectivity, and balancing pressures of destination management from a tourism/visitor perspective, and sustainable development and survival of local communities.

All four counties have a significant part of their geography in rural settings, which read as a continuous green and coastal belts. Around the city core of Swansea and suburban town centres, 60% of the county is rural in nature, with significant pockets of semi-rural settlements interspersed with suburban zones. An estimated 61% of the population of Carmarthenshire live in rural settings. Beyond the coastal strip and the major towns of Neath Port Talbot, the county borough is extensively rural, containing several relatively remote, primarily post-industrial communities. North of the M4, settlement patterns follow the main valleys: east to west, these are the Afan Valley, the Vale of Neath, the Dulais Valley, the upper Swansea Valley and part of the upper Amman Valley around Gwaun-Cae-Gurwen. Rural Neath Port Talbot also contains important natural and heritage assets, including Afan Forest Park and the Aberdulais Falls. These read across to Clydach, Mawr and Pontardulais in Swansea county, leading through to Ammanford and the West. Carmarthenshire is characterised by a relatively high number of sparse settlements anchored by three main towns; Carmarthen, Llanelli and Ammanford. Home to over 190,000 people it is the 4th largest county in Wales in terms of population size and exhibits a comparatively low population density of 80.2. Carmarthenshire's topography is one that creates a number of challenges and subsequent opportunities, the most pertinent are explored below in the context of some key themes.

These communities face unique challenges and opportunities when compared to the urban areas that are consistent with the rural economy across Wales. Close proximity to larger urban centres in the region often overshadows the unique rural challenges faced in the region.

Public transport is a major challenge and a barrier to accessing employment to those within valley and rural communities. Reliance on public transport has become more and more difficult due to service bus cuts - where buses do run they run on a limited time schedule which is not appropriate for early morning or late evening shift working. Transport availability impacting on the health of residents within rural and valleys areas due to being unable to attend hospital, dental and GP appointments.

Tourism is a key sector in the rural economy, and there is an established and growing network of local food and drink producers that are putting South West Wales on the map as a food destination.

The stunning natural environment is at the heart of the 'quality of life' proposition, and of central importance to the wider region's tourism offer and to its attractiveness to potential residents and investors. The close proximity of the natural environment and dense urban settings is both a challenge and a major unique selling point, but needs to be handled sensitively and sustainably.

Links between production and the network of large and small retail centres throughout the region were highlighted during the early months of the Covid pandemic, and even a small shift in buying habits was more than small traders could cope with, pointing to a 'making do' situation on smaller high streets that retains vibrancy and a good income for small traders where appropriate.

Delivery of services and the subsequent access to those services creates specific challenges including:

- Lower population densities make achieving relative economies of scale difficult, this can include a low number of customers for services to support, making delivery costs expensive as well as limiting potential engagement opportunities.
- Large travel distances increase the time and cost for accessing services, this can hinder an individual's ability to feel connected to their communities, worsen isolation and reduce feelings of local pride and belonging. This is especially pertinent for marginalised groups.
- Poor digital connectivity and issues with 'the last mile of connectivity' remain a significant challenge for many in the most rural areas, although this has improved somewhat in recent years.

There is a need for interventions to support the recovery and growth of rural towns and their surrounding areas, including opportunities to enhance physical, cultural and social ties and amenities through focusing investment to create quality places that people want to live, work, play and learn in.

Access to Services

21.4% of Carmarthenshire's and 38% of Pembrokeshire's Lower Super output areas are identified within the top 10% most deprived in relation to access to services (Wales Index of Multiple Deprivation 2019). This is largely due to the rurality of the counties. The third sector plays a significant role in delivering services and reaching vulnerable residents within these counties, and across the wider region, which has been particularly evident during the pandemic. There are opportunities to expand and build on the third sector's role in delivering effective and resource efficient services and to further support structural changes within the sector.

Climate emergency/ decarbonisation and Nature Emergency

Dealing with the climate and nature emergency, and contributing to net zero ambitions by supporting local communities and businesses to reduce their carbon footprint, improve habitats and enhance biodiversity. This includes the need to consider climate risks and interventions for climate adaptation and maximising the potential for renewable energy and increasing green infrastructure and urban greening in communities vulnerable to climate change. There is a lack of signage and legibility of green spaces where these intersect with urban settings.

Environmental challenges include:

- Air quality;
- Flooding in our main town centres;
- A lack of green space and play space required to enhance biodiversity and improve health and well-being.
- Loss of habitat and key infrastructure as a result of flooding, storms and erosion, agricultural intensification. Invasive non-native species and development pressure worsened by the effect of climate change and a need to improve resilience of infrastructure on the back of this
- Reduced biodiversity

Linked to town centre regeneration, there is still a challenge in achieving accessible good quality green spaces, and access to the natural environment from our urban spaces across the region. Consideration needs to be given to access for marginalised groups.

More needs to be done to reap the benefits of green infrastructure in all its variations from buildings and infrastructure to low carbon climate resilient infrastructure, renewable energy generation and skills development to prime the workforce for the Green economy.

In addition, more needs to be done to harness the potential of the circular economy which is a key element of the net zero agenda and has many elements (from re-fit, repair, re-making through sustainable design and manufacture to considerations of natural resources and land use). In addition, the circular economy approach can also be used to engage citizens and raise awareness of climate change and the decarbonisation agenda. This will promote investment in a more circular / regenerative economy - promoting more sustainable use of our natural resources and using waste as a resource.

Crime

A rise in anti-social behaviour has been recorded across town centres. In the year to June 2021 there was a 5.7% decrease in overall recorded crimes in Swansea, on the previous 12 months, but the biggest increases (over +10%) occurred in possession of drugs and public order offences. Anti-social behaviour and street homelessness are influencing perceptions of local high streets and there are opportunities to introduce targeted structured longer term interventions to address these issues. New Public Space Protection Orders have been put in place for parts of Swansea City Centre, Morriston high street and Haverfordwest. Of the 10% (190) most deprived Lower Super Output Areas (LSOAs) in Wales in terms of Community Safety, six are within Carmarthenshire which cover the three community areas of Carmarthenshire's biggest three towns; Llanelli, Carmarthen and Ammanford, 15 are in Swansea, 6 in Pembrokeshire and 5 in Neath Port Talbot. Some of the challenges linked to Anti-Social Behaviour are as follows:

- Difficulty to evidence the issues and put in place appropriate interventions due to under reporting;
- Youth disengagement and the need for diversionary activities in our communities, particularly post covid / lockdown;
- Public perception - there has been significant investment recently to regenerate and develop our towns which is overshadowed by bad press and media about a small number of individuals causing issues;
- Neighbour disputes have increased dramatically during lockdown and there continues to be issues around some of these, despite restrictions lifting.

Challenges around domestic abuse is as follows:

- The changing picture of domestic abuse as technology has moved on over the past few years - we are seeing more issues about stalking, scams, cyber-crime in domestic abuse cases;
- Number of victims with very complex needs who need more than just support for domestic abuse but other factors like mental health or addiction, we need to make it easier for people to access the support;
- There have been gaps in Relationship and Sexuality Education (RSE) delivery throughout lockdown and we are now seeing the effects of that, with children not as aware of healthy relationships as they would have been, or consent and similar topics.

Tourism, Sport & Leisure, Culture

Tourism and cultural activities are an important driver for the region, both in terms of employment and economic contribution. There are opportunities for further growth. Experience of place is a key mission of the Regional Economic Delivery Plan based on the rich fabric of destinations interspersed throughout the region. The sheer variety of offer within easy travel reach presents a compelling offer, but challenges remain, and securing sustainable growth with respect to net zero and respecting impact on local communities and how to harness the opportunity successfully to their benefit not detriment. This sector has also been severely impacted by the effects of the pandemic and behavioural change which has a lasting legacy for workforce and capacity. Research shows that leisure and cultural activities are key to ensuring we have positive well-being and help alleviate loneliness and provide a sense of purpose. Increasing access to such facilities is also a key priority.

Some of the key challenges include:

- Encouraging overnight stays to increase the economic contribution of tourism;
- Establishing regional destinations as an 'alternative' destination with on-going investment in the tourism product;
- Changing the perceptions of parts of the region as predominantly urban or industrial area to gain recognition for regional assets in terms of valley and rural areas, coast and urban areas.

Swansea received over 4.79m visitors in 2019, with tourism generating over £477m expenditure in the local economy. Investment is needed in tourism, cultural, sporting and leisure assets across the county to improve quality, breadth and sustainability of the 'experience' offer for both visitors and residents alike. Promotion of this offer more widely will raise the profile of Swansea as an attractive place to live, work, visit, study and invest and increased participation of local residents in cultural, sporting and leisure activities will have a positive impact on wellbeing

Heritage

In some areas there is a lack of interpretation of key sites and destinations and understanding of heritage of these places for local and civic pride, and reading as a destination on the back of those stories. For example, in Swansea whilst there is a rich industrial heritage there are difficulties supporting key listed buildings and structures and 'heritage for heritage sake' is impacting on lack of civic pride in place. Run-down buildings and facilities in parts of county, and in particular character features e.g. locally manufactured brick and pennant stone features, are not understood or emphasised.

Active Travel

Overall priority of private vehicles is also having a major impact on legibility of places, and damaging character and destination. Active travel routes need to take priority to enable people to move safely and sustainably between local communities to access local services and employment. Large sections of our population are in transport poverty needing to spend 10% or more of their income to run a car for example (Sustrans Cymru).

Transport is frequently raised as an issue which exacerbates loneliness and isolation. Smaller and lower density rural and valley communities face particular challenges where access to public transport is poor especially for those with mobility issues. Even in urban areas people have difficulty accessing transport as in many instances they cannot get to the bus stop. Community transport is provided to enable older people, many of whom live alone, to access social activity which reduces isolation and keeps attendees mentally active, but employment zones are often difficult to reach with limited timetables from mainstream transport providers, which needs consideration. Timing of services rarely takes account of shift working patterns etc.

Digital

The Covid-19 pandemic has changed the way we live our lives for many of us. Being online has been invaluable during the pandemic, allowing us to remain connected with family and friends, access information and guidance, work from home and use a wide range of services. While many have embraced new ways of accessing digital services, however, there is an increasing digital divide - 11% of our citizens remain offline and excluded from the vital services they need as more and more government and local authority services go online. The lack of digital skills and internet access have a huge impact on people's lives. Access to digital connectivity, technology and skills, are essential to ensure that everyone has an equal opportunity, and nobody gets left behind in this digital society. 41% of people aged 75 plus still do not use the internet. Support for older people to get online is a priority to reduce social isolation and have access to the essential services they need.

Welsh Language

A key overarching theme to be considered in the capitalisation of the opportunities mentioned above is the Welsh language. This extends to the protection, promotion and facilitation of the Welsh language in everything that we do, recognising its importance in creating a sense of place for Carmarthenshire and its people. This is in line with the Welsh Government's ambition to have 1 million people in Wales speaking Welsh by 2050 and more local strategic ambitions at a Carmarthenshire level.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Wales Regional Economic Delivery Plan, and relevant local plans and strategies.

Regional Economic Delivery Plan

The Regional Economic Delivery Plan's three 'Missions' will guide future activity over the next ten years and beyond. They are designed to give a clear direction of travel, while remaining sufficiently broad to accommodate a wide range of potential investments that will come forward over time. The three high-level Missions are as follows:

Mission 1: A UK leader in renewable energy and the net zero economy

Looking to 2030, we aim to make South West Wales a UK leader in renewable energy. That means taking advantage of our natural assets and our industrial and R&D capabilities to build an internationally-significant presence in future fuel technologies and to drive the decarbonation of our industrial base and the wide economy

Key Actions:

- Additional Capacity to drive forward the agenda
- Progressing the region's major renewable energy generation projects
- Attracting and driving forward industrial investment
- Decarbonising transport and the housing stock

Mission 2: Building a strong, resilient, and embedded business base.

"Business is at the centre of our strategy to 2030. It will be through the expansion of existing firms and the start-up and attraction of new ones that new employment will be generated and productivity growth secured. That means supporting sustainable business growth – both at the 'leading edge' of technology and innovation and across the economy"

Key Actions:

- Accelerated adoption and innovation support (linked with the recommendations of Wales 4.0 in relation to business, skills and innovation support)
- 'Progressive procurement' within a local business and supply chain development system

Mission 3: Growing and sustaining the South West Wales 'experience' offer

"South West Wales enjoys a superb environment and a unique 'quality of life' offer. This is a key asset for the region, and one which we must protect and enhance. We will make South West Wales known for the quality and breadth of its 'experience' offer', bringing together urban and rural environmental quality, 'quality of life' and culture. This will support a high-value visitor economy – but it will also be locally owned and a central part of our investment proposition".

Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Cities, towns and villages

South West region contains the second largest and smallest of Wales' cities in Swansea and St David's.

The larger district centres in Swansea were largely born of the legacy of the industrial revolution as dormitory zones for the major metal and mining industries across the county, but as the worst effects of the industries fade, attention is turning to telling the story and as part of that enabling local entrepreneurship in all its senses to flourish from a strong base of community and voluntary activity to new micro businesses across all sectors many of whom are beginning to breathe new life into ailing high streets. There is a need to create affordable, attractive and sustainable places to live, learn, work and play across all settings which enhance footfall and patronage to embed local resilience to help weather current and future shocks.

Revitalisation of City Centre and Town Centres

- Achieving positive influence on places to help foster successful balance of commercial premises of differing sizes, affordable and market housing and complementary facilities.
- Easing 'reading' and navigation of places through softening of public realm, clear and attractive signage and making the most of digital technologies
- Meanwhile space support building on successful pilots and emerging learning and changes in working practices to reduce vacancy rates on high streets and increase footfall to support local businesses
- Increase in events, cultural, sporting and leisure activities to add vibrancy and drive footfall in the city centre and high streets
- Building 'passcards' to enable fluid access to local and central venues to work

- Targeting investment on core towns to strengthen their offer and help them become centres for growth, locations for key hubs to re-engage communities and achieve holistic provision of services.
- Working in partnership, to build sustainable places with excellent public transport and active travel infrastructure, integrated green infrastructure, and critically, mixed-use town centres that meet local needs.
- build on the key role that town centres have in building sustainable places as identified by the Welsh Government Town Centre First principle, which requires new commercial, retail, education, health and public services to be located in town centres.
- Following place-based regeneration model for town centres following the 'Placemaking Wales' approach to create sustainable places and ensure they are appropriate to the place and best support the community
- maximise the opportunities of our town centres and to boost the variety of services on offer in towns - creating flexible working and living space; and increasing access to services and leisure. A number of activities are emerging from the strategy for towns including:
 - The conversion of vacant commercial floor space into residential accommodation;
 - Enhancement and upgrade of vacant commercial floor space into beneficial business use;
 - The provision of green infrastructure and biodiversity projects;
 - The provision of small-scale public realm enhancement schemes;
 - Small-scale acquisitions;
 - The development and enabling of local markets;
 - The establishment of temporary meanwhile or pop up uses in vacant premises;
 - Collective external shop frontage enhancements;
 - Digital towns to support Wi-Fi analytics and Lora Wan networks;
 - Provisions supporting or facilitating active travel routes;
 - Dedicated support to provide toilet provisions;
 - The provision of outdoor play facilities, multi-use games areas (MUGAs) and outdoor recreational pursuits.

Covid Recovery and Cost of Living

- Activities to help people emerge from pandemic isolation and embrace opportunities through existing and new community activities, e.g. utilise community buildings to create easily accessible 'warm places' in local communities that can provide a focal point for services and create a place for people to meet, eat and use shared facilities. Helping people to reduce costs and addressing loneliness and isolation.
- Improve local measure for information flow within communities outside of social media
- Providing opportunities for people to engage in volunteering and local community activity, to build capacity in local communities and empower more grass roots activity to reduce the dependency on the public sector
- support communities with the cost-of-living crisis with a focus on fuel and food and other poverty that impacts on our citizens. Build on the work of the 'safe and well' initiative established as the humanitarian response to the pandemic and continue to maximise the impact of working in partnership with the Third Sector.
- The Covid-19 pandemic placed significant strain on our local communities, places and services - introducing socio-economic challenges and exacerbating existing ones. As part of the effort to build back stronger and encourage investment we need to focus our attention to the areas of the region that are key to delivering these outcomes.

Maximising Heritage, Tourism, Culture and Sport Potential

- Feasibility and works for conservation areas and key listed and other important historic structures that embody pride in place, unique selling points and destination, including enhancement of features constructed of local materials and character e.g. locally manufactured brick and pennant stone features that are not understood or emphasised;
- Better means of telling the story of places for local communities and visitors
- Step-change in interpretation of key sites and destinations and understanding of heritage of these places for local and civic pride and reading as a destination on the back of those stories
- Building capacity and investing in tourism, leisure, sporting and cultural facilities and activities to improve quality of life and the 'experience offer' for residents and visitors, and improve health and wellbeing

- Supporting implementation of key masterplans
- Maximising the potential of the region coast, valley and rural, urban centres, heritage and culture
- heritage-led tourism regeneration opportunities for the development of the visitor economy including community focus to enable heritage groups to play an integral part in the decision making process around the future of heritage assets and sites alongside other key partners.

Rural and Valleys Communities

- Building on the momentum developed through the Rural Development Programme to support active, resilient and connected rural communities and businesses
- Developing shorter circular supply chains between consumers, producers and suppliers, linking rural and urban areas
- learn lessons from the Leader approach and will develop the opportunity of creating a fund to support our valley and rural communities. Work with partners to develop a strategy to target investment in our valley and rural communities and villages.

Active Travel

- Rebalancing priority of private vehicles vs pedestrians and introducing active travel to improve legibility of places, and enhance character and destination
- Maximising the opportunities of alternative accessible models of transport – utilising community transport, car clubs, car schemes, wheels 2 work and also utilising electric vehicles

Decarbonisation/ Climate Adaption and Supporting Nature Recovery

- Enhancing biodiversity and the connectivity of habitats across the region by investing in green infrastructure in local communities
- Improving energy efficiency and carbon footprint of community facilities
- Capitalising on the potential for low carbon energy generation
- Improving signage and legibility of green spaces where these intersect with urban settings
- Working with partners to develop a more circular / regenerative economy - promoting more sustainable use of our natural resources and using waste as a resource to mitigate against climate risks and develop interventions for climate adaptation.
- Investing in specific proposals to adapt to changing climate patterns
- Supporting improvements to water quality and mechanisms to unlock development in areas currently restricted by high nutrient levels
- Natural solutions to challenges linked to climate change, health, wellbeing and cost of living (e.g. flood and nutrient load attenuation, community food growing and access to greenspace)

Crime

- Targeted structural long term interventions to reduce anti-social behaviour on local high streets
- There are opportunities to use innovative solutions to tackle Anti-Social Behaviour, to further develop links with Youth Justice and the Youth Service to look at bridging any gaps and further improve on services. There is an opportunity for a joined up approach across all UKSPF priorities to tackle disengagement.
- It is important to continue to increase awareness of all forms of domestic abuse, through a variety of means, and ensure appropriate training is available.

Digital

Digital transformation over the last few years has changed dramatically. The pandemic has forced us to be more digitally connected. People are now able to work from home in a seamless way, which has improved connectivity and collaboration. Still need to provide opportunities for those who are digitally excluded.

Linking in with community groups to deliver digital inclusion sessions in community building to those who do not have internet access or digital equipment. We need to work with individuals and groups to keep them safe when using digital technology and how to use their equipment and devices correctly to get the best out of digital services.

The Council will work with the Third Sector to ensure organisations are promoting digital inclusion by linking in and identify areas that need support to access digital services.

Reasonable broadband provision across the region opens up opportunities for rural businesses and communities to find additional and innovative ways of exploiting digital infrastructure to improve their communities and place.

Community cohesion

- There is an opportunity for Local Area Coordinators to work with the community to identify and respond to the challenges, needs and opportunities of their local areas.
- Provide capacity support to build on community activities which increased during the pandemic and build resilient communities.
- Work with partners to enhance and support community/cultural/heritage and sporting facilities that are important to our communities.
- There is an opportunity to maximise volunteer effort in communities building on the work that has started during the pandemic where communities are taking pride in where they live.

Foundational Economy

There is potential to explore new approaches to community-led economic development, building on the more active use of local public sector procurement, small business growth in the foundational economy. The establishment of community ownership models, where these present opportunities to retain local wealth from key assets (for example through energy generation, where receipts from local renewable energy schemes could help to incentivise take-up); or where community-owned assets might generate a long term return from economic goods that might prove otherwise commercially unattractive (e.g., small-scale commercial property).

Opportunities to drive local business development through 'progressive procurement' models. Typically, these involve weighting local employment and supply chain benefits within the procurement process; and breaking down commissioning into smaller lots to enable smaller local firms to compete.

A Framework for Regional Investment in Wales (FRIW)

Our proposals under this priority are consistent with the outline of the Framework for Regional Investment in Wales and consistent with the priorities outlined therein.

Priority 1: More Productive and Competitive Businesses

"We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market"

Priority 2: Reducing the Factors that lead to Economic Inequality

"We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence³⁹ shows that inequality has a negative impact on economic growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people"

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

Link to Levelling Up Missions

Mission 7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years

For men, Healthy Life Expectancy is above the Welsh average (61.5 years) for the period 2018-2020 in both Swansea (61.9 years) and Pembrokeshire (61.8 years) but below in Carmarthenshire and Neath Port Talbot (both 59.7 years). For women, the picture is different with only Pembrokeshire, at 65.8 years, having Healthy Life Expectancy above the Welsh average (62.4 years) for the period 2018-2020, and Carmarthenshire (61.8), Swansea (60.5) and Neath Port Talbot (57.9) all below

The absolute gap in healthy life expectancy for females at birth in each county is starkly different with a 3.3 year gap when comparing the least to the most deprived fifth in Pembrokeshire, 8.9 year gap in Carmarthenshire, 17.2 year gap in Neath Port Talbot and 19.8 year gap in Swansea for the period 2018-2020. For males, the absolute gap in healthy life expectancy is lowest in Neath Port Talbot with a 10.2 year gap between the least to most deprived fifth, followed by Carmarthenshire at 10.8 years, Swansea at 14.9 years, and Pembrokeshire with the largest gap at 15.1 years, for the period 2018-2020.

These values pre-date the pandemic consequently, it is not known what impact the pandemic will have had to these values. Data from Public Health Wales Observatory

https://publichealthwales.shinyapps.io/PHWO_HealthExpectanciesWales_2022/

Mission 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

Mental wellbeing scores, according to the Warwick-Edinburgh Mental Wellbeing Scale, are available for people aged 16 and over from the National Survey for Wales. This data shows that mental wellbeing levels for 2018-19 (the latest data available) were lowest in Pembrokeshire (49.7), followed by Swansea (50.3) and Carmarthenshire (51.1), with only Neath Port Talbot (52.1) above the Welsh average (51.4).

Mission 11. By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.

There is an opportunity for a collaborative approach, working with partners and the community to achieve this target.

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

In the years leading up to the Covid pandemic, the South West Wales economy performed strongly in generating new jobs: By 2019, there were some 322,000 jobs in the region, an impressive increase of 20,000 on the 2013 figure.

Reflecting the region's population distribution and historic industrial development, the largest concentrations of employment are in the east, around Swansea Bay. Swansea itself accounts for around 40% of jobs in South West Wales (and is its main commuter destination), and the area around Swansea Bay and Llanelli is defined in Future Wales as a 'National Growth Area' for new jobs and housing. The east of the region also contains a distinctive and extensive concentration of manufacturing activity at Port Talbot, including the UK's largest steel plant and the Port Talbot Waterway Enterprise Zone.

Further west, around 20% of national energy supplies enter Britain via Pembrokeshire, with the Haven Waterway a major centre for existing energy infrastructure and the exploitation of new opportunities. More broadly, Carmarthen and Haverfordwest have important roles as regional centres, supporting an extensive rural economy and food production industry. Reflecting the environmental quality, the region enjoys extensive environmental designations, including the two National Parks and AONB and special protections along much of the coast. This environmental quality supports a large, important and growing visitor economy as well as delivering significant wellbeing benefits to our local residents.

However, there is still a large and persistent productivity gap with the rest of the UK. The region's economic weaknesses are largely structural, linked with long-term processes of industrial change (which in some respects are still ongoing), and are shared with other regions in Wales and the UK. Realising the scale of many of the region's future growth opportunities will require sustained public investment, alongside the private sector.

'Transformational' growth opportunities need to be balanced with the conditions for incremental improvements in resilience, capacity and capability across the whole of economy. There are distinctive opportunities at the 'leading edge' linked to the expertise within Swansea University and University of Wales Trinity Saint David – but long-term employment resilience and wage growth will depend on the sustainability, productivity and expansion of the wider stock of SMEs in the region.

Common challenges across the region under the Supporting Local Business priority are:

Low Productivity and Wage levels

There is still a large productivity gap in South West Wales, which impacts on local prosperity. Productivity (the amount of GVA generated for every filled job) was around £46,300 in South West Wales in 2020. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. As well as generating higher output per worker, the key challenge is ensuring that the productivity gain is captured locally in pay, conditions and business opportunities.

In all parts of the region average gross weekly pay for full time workers is below the UK average, with only Neath Port Talbot, at £596.80, having wage levels above the Welsh rate (£562.80). In broad terms the region has an overrepresentation of employment in lower paid, lower skilled sectors and a lower quota in high paid and skilled sectors.

Key Sectors

The region has strengths across a number of sectors - some of which align to the region's science and research assets in health & medicine, engineering & manufacturing and computing & data science – including advanced manufacturing, agri-food, creative industries, energy, health, care & life sciences and software/digital. The majority fall outside the traditional foundational economy and offer the greatest potential for higher productivity, higher wages, higher levels of growth and higher employment potential.

Neath Port Talbot has a distinctive economy in terms of its sectoral balance, with manufacturing accounting for around 25% of total output and 19% of employment (compared with 10% in the UK and 17% in Wales). While manufacturing's share of output has fallen over the past twenty years (from 37% in 1998) and with a sharp contraction – mainly accounted for by the steel industry – in 2014/15, it has since stabilised and remains highly significant. Neath Port Talbot remains one of Wales' most important manufacturing locations, so the challenge is to build resilience and growth through strategies that focus on diversification, upskilling,

developing supply chains to support growing sectors such as renewable energy and the introduction of technological advancements.

Local challenges in Pembrokeshire relate to weakened traditional key strategic sectors, which have been affected by the restrictions imposed during the pandemic, the loss of EU workers or which otherwise need to adapt to the post-Brexit environment, and increased costs in their supply chains. Sectors particularly affected by difficulty recruiting staff include the hospitality and leisure, construction, retail and care sectors. Price increases in the supply chain are particularly evident in the construction industry, and in catering/hospitality.

Reliance on micro and small businesses

There are some important major employers (such as the Valero refinery in Pembroke and Tata Steel in Port Talbot and Llanelli), but the region's business profile is skewed towards micro and small businesses, with 94.3% of all enterprises being micro businesses (0-9 employees).

In Pembrokeshire, in particular, there is still a preponderance of lifestyle businesses that lack innovation potential or dynamism, and which cannot offer career progression for those working in them, although this is now slowly changing.

If we are to realise notable economic growth and increase productivity, there is a need to focus on supporting small businesses to upscale including social enterprises, co-operatives and employee owned businesses as well as traditional SMEs. Through utilising the rich foundation that already exists we will increase local spend and harness the potential for more localised growth in community wealth and wellbeing, drawing together business, people and place. Social businesses are good employers who often provide work and training opportunities to people considered furthest from the workplace and they usually employ people within a very close proximity to the business's base. There are opportunities to further develop growth in this sector.

An over-reliance on micro and small sized enterprises presents unique challenges and requires business support mechanisms which are targeted, yet flexible and consider the unique set of challenges and barriers to scaling up those businesses face. These include;

- Talent recruitment and retention – Several sectors have faced recruitment and retention challenges following the pandemic. Difficulty accessing the right skills, in the right place, at the right time, stunts a business's ability to meet demand and, in some instances, diversify their service or offering.
- Access to finance and investment – Businesses are often constrained in starting or growing owing to lack of affordable or available finance. The finance support landscape can be complicated for smaller businesses to navigate, and without a dedicated resource seeking out these opportunities many small businesses miss out on financial support available. In many cases the businesses are viable enterprises but lack the sufficient cash within the business and/or personally to make investment. The result of this is that business growth and levels of self-employment/start-ups are stifled. This is evidenced in applications to the Swansea Start-up scheme where it is often cited that the existence of the grant fund has been the primary catalyst in allowing the business to begin trading. Over 40% of respondents to the Swansea Business Needs Survey highlighted that finance (or lack of access to this) is their primary barrier to business growth. In terms of overall business barriers this ranks only second behind overhead/premises costs which in some respects can be related to the former.
- Achieving economies of scale – It is more difficult for smaller businesses to achieve economies of scale since they lack the resources and capital to take advantage of the benefits presented, in many instances the risks far outweigh the benefits of exploring these options, simply because of their size.
- Taking advantage of procurement opportunities – Many small businesses report barriers in taking advantage of local procurement opportunities. Recent primary intelligence gathered indicates that many businesses find the process complicated, or they lack the skills and capacity to undertake the bidding process. Advancing progressive procurement is a key objective in the Regional Economic Delivery Plan, with a focus on community wealth building.
- Access to suitable premises – There is recognition that access to modern and appropriate premises offer businesses a competitive advantage, providing access to customers and infrastructure which will support the business to grow and develop.
- Access to and making better use of technology – Digital connectivity is an overarching priority for Carmarthenshire and is a key driver in achieving economic growth. Ensuring that businesses have access to ultra-fast and ultra-reliable digital connectivity is crucial, and whilst progress has been made in identifying coverage problems across what is predominantly a rural county, work continues to intervene

and improve connectivity where the need exists. This will ensure that businesses are able to confidently operate and compete in a global economy whilst retaining their base in Carmarthenshire.

Low business start up rates

With the exception of Pembrokeshire, the region has a lower 'enterprise density' (the number of enterprises relative to the working age population) than the UK average and in all parts of the region the start-up rate is lower than in the rest of the UK. 5 year survival rates are above the UK average (39.6%) in all counties, while only Swansea (39.9%) and Neath Port Talbot (40.0%) fall below the Welsh average (40.4%)

A stagnant start-up rate is a barrier to growth and suggests a lack of confidence and capacity within the economy. Evidence highlighted in recent work on the Innovation prospects for Carmarthenshire suggests that the potential entrepreneurial capacity of the county is amongst the highest in Wales. Therefore, whilst current businesses within the county need relevant support there is also a need to focus on creating an ecosystem which harnesses existing entrepreneurial flare across the region and making South West Wales an attractive place to start a business.

Whilst many individuals looking to start-up their own business have a strong vision and technical skillset for the business they would like to run, they often lack the necessary business skills in the day-to-day running and management of their enterprise. This often presents in poor understanding of cash flows, marketing plans and/or business strategy.

This issue is exacerbated by the perceived confusing business support landscape. Many are unaware of the support available or overwhelmed by the array of organisations operating in this area. In Swansea, the lack of a Business Centre and Start-up incubators intensifies the issue. The result means that entrepreneurs struggle to access important funding streams owing to schemes' requirements of basic business plans, cash flow forecasts and/or business strategy.

The Swansea Business Needs Survey identified that over 30% of respondents did not access the available business support services because they found the avenues too confusing and/or overwhelming. Almost half of all respondents to the survey were unaware of the support available and in many cases will have wrongly assumed that there is no accessible support available to them.

An opportunity exists to provide targeted and local level support to individuals looking to start a business. This support would serve to complement existing business support initiatives and look to create a wrap-around level of support that is easily accessible and delivered by individuals with invaluable knowledge of the local business landscape.

South West Wales has a strong base of social businesses and has the potential to stimulate more. Research illustrates that social businesses offer additional social impact and value in South West Wales with missions that involve actively improving local communities, improving health and well-being, addressing social exclusion and supporting vulnerable people. Supporting Pre-start/ new start support and small grants for early-stage social enterprises is therefore important, working with communities on the ground to formulate enterprising ideas that address economic and social issues within their area.

Lack of available premises

There is a widely-recognised gap between demand and supply for industrial sites and premises, as low rents (and in some cases high remediation and infrastructure costs on ex-industrial land) make viability challenging, especially west of Swansea. The evidence is that this acts as a brake on business expansion, both to new investors and to existing local businesses seeking 'grow-on' space. In terms of office space, Swansea dominates the market, although Swansea's Local Development Plan identifies a lack of available, high quality office space to meet inward investment and economic growth needs, combined with an oversupply of sub-standard office space at central and out of town locations. It is generally regarded that public sector investment is needed before commercial developers are willing to invest.

Access to short-term, affordable premises is limited, and business rates provide a further barrier for small scale, local, independent businesses looking to start up or relocate, particularly around Swansea city centre. This has been highlighted by the Swansea Meanwhile Spaces Pilot Project which has worked to match

vacant High Street premises with would-be occupiers, many of whom are micro-scale, start-up and/or locally owned enterprises.

Rising Costs

The spiralling costs of fuel and raw materials (including food) is a significant challenge for businesses and is directly impacting their ability to remain profitable, and in some cases causing business closures. From 2020 to 2021 the average cost of Electricity and Gas for non-domestic consumers rose by 11.8% and 24.4% respectively. Such costs have escalated further in Q1 and Q2 of 2022 and this is a major contributory factor to the rising rate of inflation which is at a level unseen since February 1982 and was recorded at 9.1% in May 2022. Rising interest rates will negatively impact consumer spending and stagnate economic growth, causing further difficulties for local businesses.

Decarbonisation

Currently, regional carbon emissions are much higher than the Wales and UK average. These mostly reflect the role of the huge Tata works at Port Talbot, an industrial installation of national significance that remains reliant on coal inputs.

Neath Port Talbot generated around 7,165 kt of CO₂ emissions in 2019. Between 2005 and 2019, total UK emissions fell by around 36%. Neath Port Talbot's reduction was much smaller – around 9% - from a substantially higher base. While domestic, public sector and commercial emissions largely fell in line with the UK average, the difference in Neath Port Talbot is accounted for by the steelworks at Port Talbot, with the county borough's distinctive industrial structure driving the highest carbon intensity of any local authority area in the UK.

This points to a key environmental and economic risk in the context of the commitment to net zero by 2050 and a nationally significant industrial base with significant challenges in effecting low carbon transition in the medium term.

In striving to meet net zero carbon targets by 2050, businesses across the region have a vital role to play by making changes to save energy, reduce waste and carbon emissions and introduce more climate friendly related policies. However, access to expert advice and training will be a necessity in order to provide the necessary knowledge and recommendations required to deliver these changes.

Localism/ Foundational Economy

The foundational economy is a crucial element of the region's economic identity and makes an incomparable contribution to social wellbeing. This is substantiated by the high numbers of businesses operating within sectors that are deemed foundational. These include, but are not limited to; Wholesale, Retail, Transport, Hotels, Food and Communication. In Carmarthenshire alone there are 3,130 businesses operating within these sectors generating turnover of £2,441 million and employing over 20,000 people. Additional broader sectors include; Construction and Tourism, both key economic and employment drivers within Carmarthenshire and the region as a whole. The importance, therefore, of the foundational economy to the region cannot be overlooked. The effects of the pandemic were acutely felt by businesses operating within these sectors and whilst recovery is progressing well, challenges remain.

The opportunities afforded through the localism approach will look to address some of the most pertinent challenges, ensuring that these businesses are supported to access the right skills at the right time, have access to increased capital investment, have access to better infrastructure and make better use of technology. This will safeguard them, fostering sustainable growth and increased resilience.

Developing sustainable local supply chains will boost the foundational economy and have a direct benefit on the environment, improve continuity of supply, enhance corporate reputation, encourage new partnerships and reduce operational costs. Businesses need support in accessing local supply chains and tendering for local contracts.

Welsh Language

In Carmarthenshire in particular, the Welsh language is an important consideration in terms of business support and at a county level much work has been done in recent years to support businesses to improve and take advantage of their Welsh offer. There is recognition that more can be done in this space, therefore where possible and applicable businesses should continue to be supported to develop their Welsh language presence and offer. This serves to meet the needs of the 43.9% of the local population that speak Welsh but also is an important consideration in the ability of businesses to play a key role in the cultural landscape of the county.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Regional Economic Delivery Plan, and relevant local plans and strategies. A consistent menu of project interventions is evolving, but the specific context of local need and requirements is presented below.

Regional Economic Delivery Plan

The Regional Economic Delivery Plan's three 'Missions' will guide future activity over the next ten years and beyond. They are designed to give a clear direction of travel, while remaining sufficiently broad to accommodate a wide range of potential investments that will come forward over time. The three high-level Missions are as follows:

Mission 1: A UK leader in renewable energy and the net zero economy

Looking to 2030, we aim to make South West Wales a UK leader in renewable energy and the net zero economy. That means taking advantage of our natural assets and our industrial and R&D capabilities to build an internationally-significant presence in future fuel technologies and to drive the decarbonation of our industrial base and the wide economy.

Key Actions:

- Additional Capacity to drive forward the agenda
- Progressing the region's major renewable energy generation projects
- Attracting and driving forward industrial investment
- Decarbonising transport and the housing stock

Mission 2: Building a strong, resilient, and embedded business base.

"Business is at the centre of our strategy to 2030. It will be through the expansion of existing firms and the start-up and attraction of new ones that new employment will be generated and productivity growth secured. That means supporting sustainable business growth – both at the 'leading edge' of technology and innovation and across the economy".

Key Actions:

- Accelerated adoption and innovation support (linked with the recommendations of Wales 4.0 in relation to business, skills and innovation support)
- 'Progressive procurement' within a local business and supply chain development system

Mission 3: Growing and sustaining the South West Wales 'experience' offer

"South West Wales enjoys a superb environment and a unique 'quality of life' offer. This is a key asset for the region, and one which we must protect and enhance. We will make South West Wales known for the quality and breadth of its 'experience' offer, bringing together urban and rural environmental quality, 'quality of life' and culture. This will support a high-value visitor economy – but it will also be locally owned and a central part of our investment proposition".

Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Carmarthenshire Opportunities

Carmarthenshire Economic Recovery and Delivery Plan (CERDP)

Theme 1 - Business

“Safeguarding our existing businesses, supporting new start-ups and growing businesses in our foundational and growth sectors to become more productive and competitive”

Theme 2 – People

“Protecting jobs, responding to significant expected unemployment, helping people gain the skills needed for the jobs that will exist, and creating new and better-skilled employment”

Theme 3 – Place

“Ensuring a fair distribution of opportunities through investing in the infrastructure and adaptation of our strategic growth areas, town centres, the rural economy and regenerating our most deprived communities”

Four cross-cutting priority ambitions:

- Ultra-reliable digital connectivity, digital culture and skills – improving connectivity, tackling the associated challenges to deployment and intervening to make improvements in digital connectivity both now and for the future.
- Skills - supporting people and businesses to retrain, re-skill, and up-skill through blended traditional, online and work-based learning.
- Green economy – adding economic value through keeping resources in use and where waste is avoided, invest in low carbon and climate-resilient infrastructure, renewable energy and sustainable homes.
- Fair and equal economy and support for the Welsh language and culture – supporting peoples culture and well-being with local, fair, decent and secure employment

Exploring the Innovation Prospects for Carmarthenshire (EIPC)

The purpose of this study was to review the current position of Carmarthenshire and to inform CCC’s local innovation strategy in the coming years. The following 4 opportunities conclude the report and have been derived from consultations with stakeholders and documentary analysis:

- Opportunity 1 - Digital: Enhancing Digital connectivity and exploiting Digital opportunities across Carmarthenshire
- Opportunity 2 - Health: Development of a dispersed living laboratory
- Opportunity 3 - Foundational Economy: Sustainable food procurement
- Opportunity 4 - Circular Economy: Leveraging a CE approach for the Net Zero Agenda

Neath Port Talbot Opportunities

The **Neath Port Talbot Economic Recovery Plan** identifies a number of opportunities which fall under the Supporting Local Business Investment Priority, including:

Transitional Economic Base

one of the four key areas for action in the Neath Port Talbot Economic Recovery Plan is *‘Entrepreneurial and resilient economy: Strengthening our SME base – in all sectors and across the county borough - through a*

better coordinated approach to support, premises and finance and a renewed focus on sustainable 'indigenous' business growth at community level'

Neath Port Talbot has a distinctive economy, with a large industrial base, including the UK's largest original steel producer and a wide range of SME manufacturers. It also contains significant opportunities for future growth, especially associated with the major waterfront sites and the Enterprise Zone, the potential for industrial decarbonisation and the prospect of future Freeport designation. In addition to the concentration of strategic sites and industries in the M4 Corridor, the county borough is diverse, including the towns of Neath, Port Talbot and Pontardawe; and the Afan, Amman, Neath, Dulais and Swansea Valleys. Looking beyond Neath Port Talbot itself, there are strong links with Swansea, and along the M4 to Cardiff and beyond.

Sectors

Neath Port Talbot Council is ambitious for the future and takes a proactive approach to economic development and providing support to encourage innovative business growth. As the economy emerges from the Covid-19 crisis, and to complement the Wellbeing Assessments, the Council has developed an Economic Recovery Plan for the medium-to-long term, focused on achieving employment and business growth within a more diverse and resilient economy.

Employment concentrations are smaller and more dispersed in the post-industrial and rural parts of the county borough, with, in general more limited prospects for employment growth at scale although there are significant opportunities coming forward, such as the Global Centre for Rail Excellence at Onllywn).

Decarbonisation

Despite the substantial challenges presented by high industrial carbon intensity, Neath Port Talbot has significant opportunities associated with industrial decarbonisation (which is itself a key focus of the Regional Economic Delivery Plan).

In May 2020, Neath Port Talbot Council launched its Decarbonisation and Renewable Energy (DARE) Strategy – which sets out how the Council will act to counter climate change, both by reducing its own carbon footprint and by working with others to bring forward key investments in renewable energy and low carbon technologies. During a recent visit in March 2022 by the UK's Climate Change Committee, they commented on how impressed they were to see the Council not just writing reports but actually delivering on its initiatives. They were also impressed at the collaborative nature of working arrangements across the county borough between industry, academia and local government which works incredibly well for all concerned. A number of opportunities linked to decarbonisation include:

- Advanced Manufacturing in low carbon technologies
- Demonstrating the potential of low carbon technologies and industries
- Developing renewable energy potential
- Decarbonising infrastructure and the built environment – Neath Port Talbot CBC recently commissioned a ground breaking initiative with the construction of the award winning £7.9m Bay Technology Centre which was completed in 2022 and is the first commercially energy positive building in Wales which has recently won the prestigious Net Zero Award in this year's Constructing Excellence Wales (CEW) Awards held in June.
- Significant potential to take a lead in the drive to decarbonise the economy, through existing assets (e.g., the Hydrogen Centre at Baglan and renewable energy capacity) and scope for innovation and adoption within industry.

The Council will work with **academia** and **industry** to realise these opportunities via direct support through growth funds and support.

The Council also recognise that SMEs will be key to successfully delivering any decarbonisation programme as they will need to adapt to new employment opportunities. This presents a challenge as the pandemic has affected investment and work schedules so finding the time and resources to invest in upskilling staff or in new ways of working such as retrofitting and green skills, may not be at the forefront of their immediate plans. In addition, there does seem to be a disconnect between Net Zero policy goals and the appetite of business to engage – until there is a market for these new skills and products, SMEs may not be keen to "buy into" these new concepts.

Capacity for growth – Infrastructure

There are a number of opportunities for growth including:

Transport – to maximise road infrastructure, rail connections and the Port of Port Talbot

Digital connectivity – ensuring all premises have high speed reliable digital connectivity

Commercial property - Despite Neath Port Talbot's position as a major industrial location and evidence of high demand for industrial stock, supply remains relatively constrained with a viability gap and the need for direct public intervention to bring forward significant schemes to address the lack of industrial premises across the county borough including the valley and rural areas. .

Key area for action in the Neath Port Talbot Economic Recovery Plan - Transformational investment and change: Ensuring continued investment in (and the capacity to deliver) our major strategic sites at Port Talbot Waterfront and Baglan Bay; the key opportunity associated with the Global Centre of Rail Excellence; and the range of long-term – but in some cases emergent – actions to support industrial decarbonisation.

Key employment sites

There are nationally-significant strategic sites (e.g. at Baglan Bay) with potential for major development over time – the sites are linked with excellent connectivity and have significant commercial interest. There are a number of strategic sites with potential for further growth, including:

Baglan Energy Park

Harbourside

Port Talbot docks

Opportunities to build on the knowledge base include the fact that much of Swansea University is within Neath Port Talbot, with potential for stronger industry links and the role of the universities as economic drivers themselves. The **Swansea Bay City Deal** projects and programmes have been designed to provide a catalyst for future opportunities which will be progressed with the UKSPF programme of interventions.

The opportunities listed above together with skills provision outlined in the People and Skills section will improve productivity and increase pay, giving everyone the opportunity to access value added jobs. The Council also recognises the opportunity of the Third Sector contribution to the local economy

Pembrokeshire Opportunities

Within Pembrokeshire, the following opportunities will be likely to form the basis of UK SPF “Supporting Local Business” investments, subject to the assessment and selection process:

Strategic Development Sites. The Port of Milford Haven (including onshore energy sites), Pembroke Dock (Port of Pembroke) and Pembroke Dock Llanion are all important strategic sites around the Milford Haven waterway that are critical to our ambition to create the UK Green Energy Capital contributing at least 20% of the UK's hydrogen production and 10% of the UK's Floating Offshore Wind (FLOW) targets, as set out in the British Energy Security Strategy. The Milford Haven Waterway Future Energy Cluster will also support the development of low carbon liquid fuels, CO₂ shipping, marine renewables and energy storage, thus playing a pivotal role in supporting an accelerated transition to a net zero economy while stimulating substantial economic growth.

This context provides important opportunities to enhance suitable industrial, commercial and office spaces to support energy, marine, engineering and related sector growth around the Milford Haven Waterway, including strategic developments such as an expansion to the Bridge Innovation Centre and associated improvement at Pembrokeshire Science Park at Llanion.

Other significant sites are starting to see the benefit of feasibility work, promotion and wider support from the county and its Private Sector Partners. These include Withybush Airport, where recent feasibility work has identified relatively modest investments that could support the airport's ability to service the tourist market, in particular. At the same time we are currently exploring a number of leads with aviation innovations, both in terms of enhanced attractions and innovations in the industry which could support a new industry era. Opportunities also present themselves at Trecwn, a former MOD owned site in north Pembrokeshire which has potential for redevelopment and renewal. Its rail and road accessibility, in addition to its close proximity to Fishguard Bay are making the site increasingly attractive to both energy producers and manufacturers. Modest infrastructure investments will secure such developments, enabling much needed employment opportunities in the north Pembrokeshire.

Pembrokeshire Food Park

Pembrokeshire benefits from some of the best quality agricultural land in Wales, an asset we should seek to capitalise upon for the county, its community and in support of wider Welsh and UK food sustainability. Pembrokeshire has benefited from EU and Welsh Government investment to catalyse development of Pembrokeshire Food Park, a joint venture with Welsh Government. This investment has supported further development by the private sector and the creation of Pembrokeshire Creamery alongside the successful and expanded Puffin Produce. Further planned joint venture developments include the creation of a series of incubator units to support fledgling food businesses in the County. We are keen to work with local food businesses to further enhance this trend, seeking funding to invest in development to meet increased demand.

Swansea Opportunities

Swansea Economic Recovery Action Plan

To support the recovery of the local economy from the covid-19 pandemic the Council in conjunction with Regeneration Swansea partnership has developed an economic recovery action plan for Swansea, This sets out the additional actions we need to take to support businesses, support individuals and improve resilience of the local economy in light of the pandemic.

The Economic Recovery Action Plan is focusing on the key aims of:

- Raising Confidence – driving footfall in city and district centres to support local businesses
- Supporting Businesses – business support, small scale financial assistance, access to premises and local supplier development to support start up and existing businesses
- Championing Local Food – to increase accessibility to and promotion of local food, and raise the profile of Swansea as a food destination
- Supporting Tourism – improving market intelligence, destination marketing, online marketing and business engagement and partnership working
- Developing Skills & Employability – extending and adapting employability provision including paid work placements and support for self-employment/ entrepreneurship
- A Sustainable Economic Recovery – new Regional Economic Delivery Plan, regeneration of the city centre and district centres, supporting move towards net zero carbon by 2050, building capability and promoting investment in green infrastructure

Within the context of the REDP and the Swansea Economic Recovery Plan, the following opportunities have been identified through local partnership discussions to respond to local challenges:

Low Productivity and Wage Levels

- Maximising the potential of the research and development expertise in the region's Universities to support local business growth, innovation and productivity gains.
- Securing high profile business conferences to capitalise on new Digital Arena

Reliance on micro and small businesses

- Locally tailored wrap around support for small businesses, complementing Business Wales provision, to support growth and job creation
- Progressive procurement to drive local business development opportunities and shorten supply chains

Low business start up rate

- Small scale business grants to overcome cost barriers to starting new business/ self-employment and co-ordinated local business support offer, complementing Business Wales provision, to nurture start-ups and improve survival rates

Lack of available premises

- Meanwhile space support building on successful pilots and emerging learning to provide low cost opportunities for start up businesses and reduce vacancy rates on high streets

Rising Costs

- Advice and small scale grant support for small businesses to reduce their carbon footprint and associated energy costs – building on pilot green innovation grant introduced with CRF funding

Decarbonisation

- Advice and small scale grant support for small businesses to reduce their carbon footprint – building on pilot green innovation grant introduced with CRF funding
- Developing the market and building expertise for new ideas such as green infrastructure
- Exploiting the potential for local carbon energy sources

Link to Levelling Up Missions

Mission 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

Average earnings in South West Wales (workplace based) have risen by 25.1% since 2011 to stand at £559.30 in 2021, however this is below both the Welsh (£562.80) and UK (£612.8) levels. At county level, Pembrokeshire has the lowest average earnings at £532, with Neath Port Talbot the highest at £596.80 in April 2021.

The employment rate in South West Wales has improved over the last ten years, from 64.8% in 2011 to 71.7% in 2021, although it still lags behind the Welsh (73.1%) and UK (74.7%) levels. Across the region, Pembrokeshire has the highest employment rate at 74.4% with Carmarthenshire having the lowest at 69.1% in 2021.

In 2020, productivity (measured as GVA per filled job) was around £46,300 in South West Wales. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. Productivity is highest in Neath Port Talbot at £48,600 in 2020 and lowest in Carmarthenshire at £43,100.

Mission 2. By 2030, domestic public investment in Research & Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.

The local authorities work effectively with academia and industry by creating the right environment to ensure the region maximises the opportunity of RD&I public investment to support the growing research, development and innovation clustering across the region.

A Framework for Regional Investment in Wales (FRIW)

The proposals for this priority sit comfortably within the Welsh Government Framework for Regional Investment in Wales described as follows:

Priority 1: More Productive and Competitive Businesses

“We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market”

Priority 2: Reducing the Factors that lead to Economic Inequality

“We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence³⁹ shows that inequality has a negative impact on economic growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people”

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these challenges, give evidence where possible

South West Region works through its Regional Skills Partnership in coordination and understanding of skills needs working closely with business and providers to understanding the evolving landscape of need and demand.

Common challenges across the region under the People and Skills priority are:

High Economic Inactivity Rates

In South West Wales 20.9% of the working age population (excluding students) were economically inactive in December 2021, above both the Wales (19.9%) and UK (17.6%) averages. Carmarthenshire has the highest economic inactivity rate of the 22 local authorities in Wales at 23.8%. The rate in Neath Port Talbot (21.1%) and is above the Welsh average, while both Swansea (19.5%) and Pembrokeshire (19.3%) are below the Welsh average, but above UK rate. Students are excluded from these figures as the region has an above average level of students.

A number of factors have likely contributed to this higher rate across the region, including:

- The region is home to an above average level of people with disabilities and long-term limiting health conditions which pushes them further away from the labour market.
- The region is home to an above average level of people who are retired.

This is a significant barrier to growth for the region, as the economically inactive represent a significant source of labour supply which is a crucial element of a well-functioning labour market. This is also concerning given that being inactive for a long period of time can negatively impact a person's wellbeing, health and life-satisfaction. This is therefore a fundamental issue to address in the ambition to improving the life-chances of individuals and grow the local economy.

A key challenge is engagement with the economically inactive, which requires community-based interventions to support to overcome barriers, build confidence and increase motivation to start looking at skills and employment.

Following the pandemic, an increased number of economically inactive have low confidence, are isolated, have disengaged with their communities, and therefore, have difficulties accessing the support needed. There is a need to raise aspirations and awareness of opportunities and to create pathways to accessing the skills and support needed to progress into employment.

Unemployment

Claimant count unemployment rates vary across the region from 3% in Carmarthenshire in May 2022, 3.1% in Pembrokeshire, 3.2% in Neath Port Talbot and 3.6% in Swansea - which is above the Welsh level (3.4%) but below the UK (3.8%). In Swansea, unemployment rose rapidly at the start of the pandemic, and while the unemployment rate has gradually decreased over the past 2 years it is yet to reach levels seen prior to the pandemic in March 2020 (3.4%). In common with other counties, there is significant disparity in unemployment across different local areas of Swansea with disadvantaged areas experiencing unemployment rates above the average - Townhill (8.1%), Penderry (6.9%), Castle (6.6%) in contrast to other areas below the average; Mayals (1.1%), Llangyfelach (1.3%). There is a challenge to ensure that people from the most disadvantaged communities across the region are not excluded, and provision is in place to ensure inequalities to accessing opportunities are reduced within communities.

Barriers to Skills and Employment

Unemployed and economically inactive people in the region face a range of complex barriers, which prevent them from accessing skills and employment opportunities. A challenge under this priority is to engage with, support and motivate the economically inactive and unemployed to overcome these barriers to progress them into the labour market.

The effects of the pandemic have increased loneliness and isolation, reduced confidence, motivation, self-belief and aspirations and has had a negative impact on people's mental health and their ability to engage with support services. A key challenge is rehabilitating these individuals to become more confident leaving the house and increasing their motivation levels to look for employment. This challenge is even more acute due to delays in accessing specialist support services including counselling and therapy support. There is a need for consistent one to one support e.g. a key worker.

Some of the key barriers people face include:

- Lack of Confidence and motivation, wellbeing and aspiration.
- Social isolation, digital exclusion.
- Issues with mental and physical health
- Low or no skills, lack of specific skills or qualifications, lack of experience in the workplace.
- Rising costs of living-poverty, transport barriers
- Availability of quality, flexible and affordable childcare
- Geographical locations make learning inaccessible for some living in our valley and rural areas as transport is a major barrier, especially when most learning provision is in town centre locations.

On skills, a key challenge for local people in accessing opportunities is the lack of relevant qualifications, knowledge of skills needed and life and employability skills. A further challenge is to support people to recognise their personal skills and abilities and to help them, through a personalised skills plan to identify and source the right skills needed aligned to the local labour market demand. This would equip people with the skills needed to access to more opportunities to capitalise on local economic growth and economic development opportunities such as the City deal, in turn, ensuring the local communities are more prosperous and productive.

There are opportunities to provide intensive, wrap-around, one-to-one support led by a key worker to move these individuals closer to the labour market which would provide tailored mechanisms to make the movement from inactivity to employment as simple a transition as possible. This should be in the format of a cohesive system where careers guidance is provided in conjunction with the identification of skills needs which are directly related to the ambitions of that person and the needs of the local economy. This extends to highlighting and promoting the importance of work as well as exploring development in the context of basic skills, work-ready skills and vocational training to reduce the chances of drop-off and discouragement.

Vulnerable groups

There is a gap in current provision focussing on employability and skills for key groups of vulnerable individuals with further complex barriers and challenges to entering the labour market. Investment is needed to provide intensive key worker support and focussed interventions to address the inequality to accessing opportunities for these disadvantaged individuals. Key groups include the following:

- Children Looked After (CLA) aged 16+ and Care leavers
- Young people post 16 linked with the Youth Offending Service
- Young people pre-16 with Additional Learning Needs or at risk of becoming NEET

- Vulnerable young people 16-24 who are disengaged from the labour market.
- People affected by work limiting health conditions and disabilities
- Refugees and Asylum seekers
- BAME
- Women
- Prison leavers and ex-offenders
- People with care responsibilities
- Individuals from Jobless households
- Individuals linked to and referred by the Community Health team
- Over 50s unemployed due to the pandemic

Qualifications Levels Below UK Average

Over time, there has been a steady improvement in qualification levels in the region: in 2021, 36% of the working age population was qualified to NVQ4+, compared with 22% in 2004, and the proportion with no qualifications halved over the same period (partly as new entrants to the labour market gradually replace those who leave). But in relative terms, there is still a gap with the rest of the UK, and substantial variation across the region.

The pace of transition to attain higher-level skills has been slower in Neath Port Talbot, for example, than the rest of Wales and the UK and just 29.3% of the Neath Port Talbot workforce is qualified to NVQ4+, compared to 38.7% for Wales and 43.5% for UK. Swansea has a higher proportion of working age residents with qualifications to NVQ level 3 and above than Wales and UK average however, 7.7% have no qualifications and 8.4% are at NVQ level 1, therefore, 16.1% are considered low or no skilled (APS 2021). Carmarthenshire exhibits a higher than average number of people with no qualifications and a lower proportion than average of people with higher level qualifications.

A barrier to employment for many is a lack of qualifications or skills. This applies to those that have no qualifications at all and those that wish to re-skill or up-skill to better themselves and seek higher level or alternative employment. Skills levels likely impact on residents' ability to access better-paid local employment. In Neath Port Talbot for example, where average skill levels are lower median annual pay at workplaces is around £29,000 – higher than the Welsh average. But the average pay commanded by Neath Port Talbot residents is substantially lower, at around £27,000.

There is an opportunity to support those with no qualifications to gain basic skills qualifications and those up to level 2, which could act as a gateway to gaining employment but also higher-level qualifications. These basic skills include (but are not limited to); English, Maths and ESOL. This would serve to address the gaps in current DWP and Welsh Government provision and allow for the development of local-level interventions which meet local needs.

Furthermore, there is a specific need to develop digital skills and increase levels of digital inclusion. The world of work is changing and reliance on digital technologies within the work-place is increasing at rapid rates. Providing individuals with relevant and transferrable digital skills will therefore not only improve their employability but also make them more confident with regards to accessing wider services online.

Local Skills Needs – Supply and Demand

To create a growing and resilient regional labour market, it is imperative to equip individuals with the skills required by local employers. This is in respect of the skills required now and those that will be required in the future. A forward-looking approach will ensure that local people are able to benefit from future opportunities which present themselves. This is also a crucial step in reducing what is termed as 'brain drain' whereby highly qualified individuals leave the area to take up higher paid employment elsewhere. Developing a stronger skills base will also increase the chance of attracting new businesses to the region and growing existing ones to improve prosperity.

Much work has been undertaken to map regional skills needs by the Regional Learning and Skills Partnership, with employers from key strategic sectors in the region reporting a number of in-demand and desired skills, as outlined below:

Manufacturing & Engineering – Problem solving skills, leadership and management skills, computer literacy skills, skills in new technology.

Construction – Work-readiness skills, communication skills, problem solving skills and manual dexterity.
Agri-food – Comprehension skills, communication skills, leadership and management skills and food manufacturing skills.

Financial, Professional and Digital – Advanced/specialist IT skills, Coding/web development skills, skills in new technology and basic IT skills.

Health and Social Care – Health care skills, communication skills, basic IT skills and skills in new technology.

Public Services – Advanced and basic IT skills, problem solving, oral Welsh language skills, communication skills, leadership and management skills and HGV/LGV driving skills.

Tourism, Leisure and Retail – Marketing skills, chef/kitchen skills, advanced and basic IT skills and coding/web development skills.

Creative Industries – Advanced and basic IT skills, skills in new technology, entrepreneurial skills, coding/web development, creative content development skills and marketing skills.

Taking these skills needs into account, there are clearly opportunities to focus skills delivery in some key areas, with this evidence further substantiating the need to develop the digital and general work readiness skills of individuals. These could be addressed through basic skills delivery up to level 2 with more specialist skills delivered via other methods such as work-based learning or through vocational delivery.

A key challenge is delivering qualifications for employers / employees that respond to current and emerging challenges, opportunities and local skills needs and will complement broader place-based investment across the region. In doing so it will target activities which capitalise on the opportunities and needs of the local area and meet the needs of an increasingly green and digital economy, whilst also providing a universal offer to businesses experiencing workforce challenges and / or demonstrating growth potential of all sizes and across all sectors.

Working in conjunction with local providers, support would serve to fund gaps in local skills provision and explore alternative delivery methods. This could be in the format of bite-sized, module-based delivery of both an accredited and non-accredited nature. This creates a skills system which is innovative and flexible in its approach and aligns with the needs of employers and recommendations made by the Regional Learning and Skills Partnership. In line with this there is an opportunity to improve linkages between schools, further education colleges and higher education to offer a 'skills escalator' model of skills development aligned to the needs of industry.

As a result of the region's older population there is also an opportunity to provide tailored support to those in employment to access skills provision. This would serve to reduce the loss of skilled individuals from the labour market and support retention in some sectors where an ageing workforce is a concern. These issues are more acute (although not exclusive) in the Construction and Manufacturing and Engineering sectors.

Upskilling the existing workforce

Local businesses within the region want to improve the skills and abilities of their staff, but cannot afford the time and the expense, making it prohibitive for the business to progress their workforce. Subsidised in-work skills programmes would be a huge step to breaking down the barrier and ensuring that the existing workforce were able to upskill and retrain for their professional development. This also leads to increased economic prosperity for the area and a skilled workforce.

Careers Advice and Guidance

Evidence indicates that several key sectors have and continue to experience challenges in attracting, retaining and recruiting suitably skilled staff to meet their needs. A number of issues culminate in creating these recruitment challenges, with a lack of skills and the perception of sectors being primary contributory factors.

Careers, advice and guidance plays a key role in dispelling myths and improving the perceptions of sectors. Sectors that report being particularly affected by this include; Health and Social Care, Hospitality, Tourism, Leisure and Retail, Construction and Agri-food. These are all sectors of strategic importance for the region, it is therefore crucial that people are aware of the opportunities presented by these industries. This is an important step in the creation of a pipeline of talent armed with the desired skills to feed into the labour market, which would be to the benefit of local businesses and in turn our local economy.

To this end, there is an opportunity to provide careers, advice and guidance in a more cohesive way at a local level, taking into account the skills needs of local employers. Working in conjunction with organisations already delivering such services will serve to reduce duplication and complement what is already offered. The delivery of careers, advice and guidance should also consider the gender profiles of many sectors and attempt to dispel the typical gender stereotypes associated with some sectors. This would address the significant gender disparity evident across many areas of the economy which relates to employment, the gender pay gap and opportunities to prosper more generally.

In Pembrokeshire, one challenge that has been identified is ensuring young people are equipped to make well-informed career choices, so that they acquire the skills and qualifications needed not just in the traditional industries in Pembrokeshire, but in new and emerging sectors especially in (but not limited to) the marine renewable energy sector.

Young people

There is a lack of understanding around the different learning pathways from pre-16 to post-16 for some of our young people. Options are not communicated effectively to ensure young people understand the full range of options available, from Further Education, Work Based Learning and Apprenticeships. Some of our young people are not accessing appropriate interventions / support and it is not until a later stage that they are identified. Improved communication in our schools is essential ensure all our young people explore the different choice of pathways of learning and development.

Early intervention is needed to identify vulnerable learners or those with Additional Learning Needs (ALN) and to ensure appropriate provision is in place to support learners overcome challenges and prevent risk of permanent exclusions and reduce the risk of young people becoming NEET post-16/Key Stage 4. Young people at all ages and key stages in education have been negatively affected by the impact of the Covid-19 pandemic and associated absences from the school environment. Further work is needed to understand the scale of the impact in schools and the challenges presented in order to develop interventions to positively improve learning, basic skills and attainment at all pre-16 levels.

Across the region there is also a need to ensure that young people who are not in employment, education, or training (NEET) are re-engaged in the labour market, and that young people remain engaged in learning, training or employment. Entrepreneurial young people must also be encouraged and supported to start-up their own businesses, though interventions to achieve this may better fit under the Supporting Local Business theme.

Latest employment statistics in Swansea have shown an increase in the number of 16-24 year olds on non work-related benefits and therefore, economically inactive. The pandemic has caused issues for young people in the area, such as loss of confidence and key skills, which needs to be addressed. (DWP consultation)

International Students and Refugees

A specific challenge identified in Swansea relates to resident international students and refugees, who are skilled and highly motivated to take up employment opportunities, but are faced with issues transferring their overseas qualifications, which is a barrier to them accessing local opportunities.

Basic skills

There is a large proportion of people in the region who lack basic skills. Interventions and investment are needed to address literacy, numeracy, ESOL and digital literacy skills. There is a significant challenge to engage with people who are not ready to admit to their skill deficit. Programmes need to be available with a

softer approach to entice learners. Existing services need to be delivered in the communities, at local and micro-local level, building on what they already do by offering additional support in a way that does not directly target basic skills in the short term and will aid progression in the long term. This could be delivered as part of a wider community and employability support provision.

Covid Recovery and Cost of living

Household income in South West Wales is below the Wales and UK average, with Gross Disposable Household per head in 2019 standing at £16,646; which is 77.7% of the UK level. The increase in the cost of living and rising energy and food prices will place further pressures on household income. Having basic living skills is imperative to be able to adjust and adapt to these changes. Support and training on functional numeracy skills would help individuals to understand their finances; bank statements, price comparison and contract fees. The pandemic has expedited the need for digital skills to access services and employment but has also left many people who are digitally excluded isolated throughout the pandemic.

Advancement of Digital Skills

There is an issue with a widening gap in digital skills in Swansea. Investment is needed to assess and address the current and future digital skills needs and for the development of basic and advanced digital skills provision, to ensure people and businesses have the skills to take advantage of the latest technologies and tools.

The lack of digital skills and internet access have a huge impact on people's lives. Digitally excluded citizens need access to digital connectivity, technology and skills, which are essential to ensure that everyone has an equal opportunity. In Swansea, there is a need to increase participation and improve outcomes in STEM (Science, Technology, Engineering and Maths) subjects.

Green Skills and Skills for Net Zero

The region has a number of ambitions aligned to both the communities and place and business support investment themes with regard to the green agenda and net zero. There is a challenge to raise awareness of green skills and to address the deficit in skills and capacity to meet the local needs in dealing with the changing environment linked to green recovery, green energy, changing food systems, transport systems, green spaces and green infrastructure.

The imminent challenges facing the built environment sector, as an example, will require a rapid response to skills development to ensure it has a skilled and competent workforce that is able to respond to the emerging zero carbon agenda. The education sector will need to provide innovative training solutions to upskill the existing workforce and also provide new entrants with the skills they need to support the evolving needs of this particular sector. Priority solutions include:

- Upskilling programmes to meet the expectations of green construction, from basic to advanced, in terms of understanding of whole house solutions
- Training programmes around the installation of renewable products, as well as a robust accredited assessment of suitability/competence of the installation.
- Training programmes to meet offsite construction, from a manufacturing perspective, to support local companies

As new innovations, come forward, we need to look at effective and responding skills development and training solutions, with the establishment of a centre of expertise. This is especially pertinent for the Construction and Engineering and Manufacturing sectors where future skills needs relate to specialist engineering skills, retrofit skills, smart manufacturing skills and renewable energy skills.

Welsh Language

When taking into account skills provision in a Carmarthenshire context, consideration must be given to the development of provision which allows individuals to undertake learning through the language of their choice. With 43.9% of the population able to speak Welsh there is a clear argument that the demand would exist. This also serves to meet the needs of local employers whereby Welsh language skills have been highlighted as important by the Creative Industries, Health and Social Care and Retail, Tourism and Leisure sectors.

Enrichment and Volunteering Opportunities

There is an argument to suggest that the provision of enrichment and volunteering opportunities may provide similar benefits as those provided by work experience opportunities. Work experience has traditionally been considered something that younger people do as part of their statutory education, however there are benefits to be realised for all age groups and people from all backgrounds. Taster sessions in relevant industries may serve to reduce drop-off and highlight the wider benefits to be realised by being in work rather than the traditional focus of financial reward. The same can be said for volunteering placements within the region's many third sector and smaller community groups. Taking part in such schemes would provide a stepped approach to entering the labour market, removing some of the pressure that those furthest away may feel when making the transition straight into paid employment. There are opportunities to explore the viability of such an approach across the region, looking at lessons learned from similar initiatives.

Multiply

Many economically inactive people have not positive experiences in school or college therefore there is a need to engage and learn in an innovative way which is different to formal learning environments. Community based interventions will need to be considered for the delivery of functional numeracy to increase engagement due to reduced confidence and increased isolation economically inactive people face following the pandemic.

In delivering the Multiply initiative, we anticipate that the challenges will be:

- The shortage of numeracy tutors.
- Recruitment of learners, due in part to the stigma attached to the lack of basic skills.
- The focus on numeracy alone is unlikely to address the full needs of learners, who will often also lack basic literacy and digital skills. As such, Multiply may need to be delivered alongside other provision, or risk being less effective than it might otherwise be.
- There will be a complex interaction with pre-existing Welsh Government support that must be navigated.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these opportunities, give evidence where possible

Each local area is working constructively through local regeneration partnerships to formulate responses to the challenges set out above. These are presented in the context of our South West Regional Economic Delivery Plan, and relevant local plans and strategies. The intention is to generate a regional 'menu' of activities on a consistent basis that adapt according to specific local need.

Regional Economic Delivery Plan

The Regional Economic Delivery Plan's three 'Missions' will guide future activity over the next ten years and beyond. They are designed to give a clear direction of travel, while remaining sufficiently broad to accommodate a wide range of potential investments that will come forward over time. The three high-level Missions are as follows:

Mission 1: A UK leader in renewable energy and the net zero economy

Looking to 2030, we aim to make South West Wales a UK leader in renewable energy and the net zero economy. That means taking advantage of our natural assets and our industrial and R&D capabilities to build an internationally-significant presence in future fuel technologies and to drive the decarbonation of our industrial base and the wide economy.

Key Actions:

- Additional Capacity to drive forward the agenda
- Progressing the region's major renewable energy generation projects
- Attracting and driving forward industrial investment
- Decarbonising transport and the housing stock

Mission 2: Building a strong, resilient, and embedded business base.

“Business is at the centre of our strategy to 2030. It will be through the expansion of existing firms and the start-up and attraction of new ones that new employment will be generated and productivity growth secured. That means supporting sustainable business growth – both at the ‘leading edge’ of technology and innovation and across the economy”.

Key Actions:

- Accelerated adoption and innovation support (linked with the recommendations of Wales 4.0 in relation to business, skills and innovation support)
- ‘Progressive procurement’ within a local business and supply chain development system

Mission 3: Growing and sustaining the South West Wales ‘experience’ offer

“South West Wales enjoys a superb environment and a unique ‘quality of life’ offer. This is a key asset for the region, and one which we must protect and enhance. We will make South West Wales known for the quality and breadth of its ‘experience’ offer’, bringing together urban and rural environmental quality, ‘quality of life’ and culture. This will support a high-value visitor economy – but it will also be locally owned and a central part of our investment proposition”.

Key Actions:

- Targeted and coordinated capital investment, including in town and city centres
- Balancing of initiatives at a regional, local and community-driven scale

Within the context of the South West Regional Economic Delivery Plan and Local Economic Recovery Plans, the following opportunities have been identified through local partnership discussions to respond to local challenges:

Addressing economic inactivity

- Community based activity to engage with the economically inactive
- Employability and skills provision where there are current gaps in local provision- Opportunity to create pathway into employment to include pre-engagement, employability, skills and training, volunteering and paid placements activity tailored to individual’s and local labour market needs.
- Provision of a person-centred, 1-2-1 mentor/key worker led pre-engagement and intensive wraparound employability support to move closer or into the labour market.
- Life skills support for health and wellbeing, confidence building and motivation, teamwork, job search skills, communication and presentation skills.
- Project activities will compliment, align and add value to existing provision ensuring there is additionality and no duplication

Maximising potential of unemployed people and in-work support

- Develop in-work support provision linked to employment support and skills to upskill and retain staff by providing access education and training.
- Enhance skill levels through life and career skills provision for the unemployed unable to access support and funding to overcome skills and training barriers

Reducing barriers to skills and employment

- Coordinated approach to provide a more holistic support offer with delivery partners bringing specialisms together to support key groups with different needs to overcome complex barriers
- look to develop a learning and development model/network to enhance provision out into our communities, making it accessible for all.
- Pre-engagement and Employability wraparound support by dedicated key workers throughout the pathway with an initial assessment of needs and skills to identify barriers and develop a personal, bespoke action plan.
- Intensive 1-2-1 mentoring support tailored to the individuals needs to overcome barriers and identify suitable pathways.
- Skills re-engagement pathway for young people exiting full-time education.

- Intervention opportunities for skills and training, volunteering, work tasters, paid work placements, employment and engagement with mainstream provision.
- Life skills support for confidence building and motivation, teamwork, job search skills, communication and presentation skills.
- Advice on benefits and budgeting.

Supporting Skills

- Mapping skills and forecast future demands and shortages in the labour market.
- Opportunity to align skills and employability provision to support local and regional skills needs.
- Opportunity to partnership working to maximise training provision and to deliver skills support within communities
 - Basic Skills training, ESOL, employability and life skills (for confidence building and motivation, teamwork, job search skills, communication and presentation skills.), technical and vocational training, qualifications, work related training, licences, Digital skills, green skills and workplace skills.
- Green skills provision to ensure there is a suitably skilled workforce in the region to achieve the UK government goals of net zero.
- Engagement and softer skills development programme for young people.

Recovery from the Covid pandemic and impact of the rising cost of living

- Health and Wellbeing Interventions
- Advice on benefits and budgeting including numeracy skills.
- Opportunity to provide funding where finance is a barrier to people to accessing skills, education and employment (Work related training, licences, qualifications, travel, childcare, clothing and equipment)

Employer Challenges

- Engagement with employers to understand needs and challenges
- Job and skills matching service through employability provision
- Provide opportunities for employers and people with paid work opportunities, work trials, taster days and volunteering
- Opportunity for businesses and employers to retain and upskill staff through training

Technology assisted learning

Using technology to support learners to develop literacy and numeracy skills, embedding this in all learning. Opportunity to take this out into the communities will remove the barriers such lack of digital resources and accessibility.

Paid work placements - Evaluations of previous employment programmes e.g. Workways+, Kickstart and the CRF funded Job Start indicate the benefit of 'Paid Work Opportunities'. The individual seeking work is placed in appropriate paid work placements and the programmes funds businesses to support individuals on these placements. This is an opportunity under UKSPF that the Council would wish to progress to ensure this element adds value to the employment support provision.

Aligning skills and employment support – there is an opportunity to work with partners to link local support services and mainstream provision across the region to ensure barriers to employment are overcome where possible, including working with partners to deliver employability skills to those with protected characteristics and additional learning needs.

Mentoring support – to maximise the opportunity of experience in offering high level mentoring support. From school leavers to adults through a holistic and innovative approach is adopted looking at all barriers which prevent an individual progressing into education, employment or training. A number of proven techniques and strategies are used to ensure that an individual has the tools to grow and sustain education and/or employment.

Young people

The New Curriculum will increase engagement activity within our schools to ensure that learners are aware of the skills that employers consider to be essential while highlighting the softer skills as being as pertinent as technical or practical skills. There is an opportunity to develop interventions to prevent youth disengagement and provide alternative curriculum pathways.

There is an opportunity to implement additional provision for early identification of learners with Additional Learning Needs at all levels of education and to develop a programme of interventions for learners such as specialist teaching or alternative training provisions that are linked to an Individual Development Plan. Currently there is only provision in place for learners with more severe or complex needs, thereby leaving a gap in provision for those with more moderate additional learning needs. The Covid-19 pandemic had negatively impacted learners at all levels which has triggered an increase in learners falling behind in attainment levels along with an increase in behavioural issues and exclusions. Provision is needed to support both pre and post-16 to overcome these challenges and thereby reduce the risk of school exclusions and the risk of becoming NEET. Early intervention will also alleviate demand on post-16 employability provision.

Adult learning

There is an opportunity with UKSPF and Multiply to work with schools and parents to increase their adult literacy and numeracy skills to support their children's learning and increase their own skills.

Wellbeing interventions

There is an opportunity to develop a programme of engagement and leisure courses, which will allow providers to recognise and identify skills needs, with a focus on the individual's emotional and mental health initially. Once health and well-being is addressed and people have more confidence basic skills can be identified.

Learning infrastructure

There is an opportunity to improve venues to be fully functional to provide learning where literacy and numeracy can be wrapped around courses for healthy eating, understanding food labels, budgeting, and cooking on a budget.

Skills networks

There is an opportunity to further develop and expand partnerships to map out gaps between leaving school and progressing into employment to identify what skills are needed, and developing additional programmes to support these people. By carrying out mapping exercises across employers in the region it will be possible to identify what skills are required and develop a bespoke curriculum to meet employer needs.

Opportunity to work collaboratively to improve systems for assessing learners' additional learning needs, making sure that those learners gain appropriate support, and monitor the progress made by learners receiving support. This intervention will identify any skills deficit and identify appropriate support.

A Framework for Regional Investment in Wales (FRIW)

Priority 1: More Productive and Competitive Businesses

"We want to drive recovery and prosperity by supporting entrepreneurs, start-ups and businesses to create and retain sustainable jobs that reflect the principles of Fair Work Wales. We will help businesses to take advantage of opportunities to grow and strengthen the productivity and competitiveness of businesses and social enterprises of all sizes, particularly micro to medium sized businesses. This includes supporting businesses in their efforts to create or improve their share of the export market"

Priority 2: Reducing the Factors that lead to Economic Inequality

"We want to maximise the number of people able to participate in good quality, sustainable work, for which they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. Evidence shows that inequality has a negative impact on economic growth and social outcomes. In the short term we will focus our efforts on supporting those who have been most adversely affected by the economic impact of the Covid pandemic, notably young people, those in low paid and insecure employment, women, black, Asian and minority ethnic (BAME) groups, and disabled people"

Priority 3: Supporting the Transition to a Zero-Carbon Economy

“The climate crisis is the global challenge of our age. The risks are real for every citizen and business but are greatest for those who are already at a socio-economic disadvantage. The transition to a zero-carbon economy will bring opportunities for clean, energy efficient economic development, quality jobs and global market advantages, as well as benefits to our environment, our health, our natural capital, and our ecosystem services”

Priority 4: Healthier Fairer, more Sustainable Communities

“A workforce that is healthy and happy, and well-connected communities that are strong and resilient, are economic assets which benefit everyone. The link between well-being and economy has never been clearer. We want to help ensure that communities of place and of people have the resilience and structures they need, so that the people living here can live long, happy lives and fulfil their potential to contribute productively to our economy and society”

Link to Levelling Up Missions

Mission 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

Average earnings in South West Wales (workplace based) have risen by 25.1% since 2011 to stand at £559.30 in 2021, however this is below both the Welsh (£562.80) and UK (£612.8) levels. At county level, Pembrokeshire has the lowest average earnings at £532, with Neath Port Talbot the highest at £596.80 in April 2021.

The employment rate in South West Wales has improved over the last ten years, from 64.8% in 2011 to 71.7% in 2021, although it still lags behind the Welsh (73.1%) and UK (74.7%) levels. Across the region, Pembrokeshire has the highest employment rate at 74.4% with Carmarthenshire having the lowest at 69.1% in 2021.

In 2020, productivity (measured as GVA per filled job) was around £46,300 in South West Wales. The gap with the rest of the UK has narrowed slightly over time, but it is still substantial: in 2020, productivity was around 80% of the UK level. Productivity is highest in Neath Port Talbot at £48,600 in 2020 and lowest in Carmarthenshire at £43,100.

Mission 6. By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.

Over time, there has been a steady improvement in qualification levels in the region: in 2021, 36% of the working age population was qualified to NVQ4+, compared with 22% in 2004, and the proportion with no qualifications halved over the same period to 8% (partly as new entrants to the labour market gradually replace those who leave). But in relative terms, there is still a gap with the rest of the UK (where 43.5% are qualified to NVQ4+), and substantial variation across the region. In Neath Port Talbot only 29.3% are qualified to NVQ 4+, compared to 39.4% in Swansea.

Mission 7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.

For men, Healthy Life Expectancy is above the Welsh average (61.5 years) for the period 2018-2020 in both Swansea (61.9 years) and Pembrokeshire (61.8 years) but below in Carmarthenshire and Neath Port Talbot (both 59.7 years). For women, the picture is different with only Pembrokeshire, at 65.8 years, having Healthy Life Expectancy above the Welsh average (62.4 years) for the period 2018-2020, and Carmarthenshire (61.8), Swansea (60.5) and Neath Port Talbot (57.9) all below

The absolute gap in healthy life expectancy for females at birth in each county is starkly different with a 3.3 year gap when comparing the least to the most deprived fifth in Pembrokeshire, 8.9 year gap in Carmarthenshire, 17.2 year gap in Neath Port Talbot and 19.8 year gap in Swansea for the period 2018-2020. For males, the absolute gap in healthy life expectancy is lowest in Neath Port Talbot with a 10.2 year

gap between the least to most deprived fifth, followed by Carmarthenshire at 10.8 years, Swansea at 14.9 years, and Pembrokeshire with the largest gap at 15.1 years, for the period 2018-2020.

These values pre-date the pandemic consequently, it is not known what impact the pandemic will have had to these values. Data from Public Health Wales Observatory
https://publichealthwales.shinyapps.io/PHWO_HealthExpectanciesWales_2022/

Mission 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

Mental wellbeing scores, according to the Warwick-Edinburgh Mental Wellbeing Scale, are available for people aged 16 and over from the National Survey for Wales. This data shows that mental wellbeing levels for 2018-19 (the latest data available) were lowest in Pembrokeshire (49.7), followed by Swansea (50.3) and Carmarthenshire (51.1), with only Neath Port Talbot (52.1) above the Welsh average (51.4).

Interventions

In this section, we will ask you about:

- Interventions you've chosen for each year of funding
- Outcomes you want to deliver
- Any interventions that are not listed here
- How these interventions fall under the UKSPF investment priorities, and your rationale for them
- Interventions not included in our list will be assessed before being approved, where you will need to show a clear rationale, how the intervention is value for money, what outcomes it will deliver and how you will monitor and evaluate the intervention. This may include a theory of change or logic chain.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY? SELECT ALL THAT APPLY.	
Outcome	Tick if applicable
Jobs created	✓
Jobs safeguarded	✓
Increased footfall	✓
Increased visitor numbers	✓
Reduced vacancy rates	✓
Greenhouse gas reductions	✓
Improved perceived/experienced accessibility	✓
Improved perception of facilities/amenities	✓
Increased number of properties better protected from flooding and coastal erosion	✓
Increased users of facilities / amenities	✓
Improved perception of facility/infrastructure project	✓
Increased use of cycleways or paths	✓
Increase in Biodiversity	✓
Increased affordability of events/entry	✓
Improved perception of safety	✓
Reduction in neighbourhood crime	✓
Improved engagement numbers	✓
Improved perception of events	✓
Increased number of web searches for a place	✓
Volunteering numbers as a result of support	✓

Number of community-led arts, cultural, heritage and creative programmes as a result of support	✓
Increased take up of energy efficiency measures	✓
Increased number of projects arising from funded feasibility studies	✓
Number of premises with improved digital connectivity	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE COMMUNITIES AND PLACE INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs.

W2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects including those that increase communities' resilience to natural hazards, such as flooding, and investment in locally owned renewable energy generation and waste management to improve the transition to low carbon living This could cover capital spend and running costs.

W3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features and biodiversity improvements into wider public space.

W4: Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural and heritage offer, including improvements to access to sites to counter the effects of isolation, particularly for older people and disabled people.

W5: Design and management of the built and landscaped environment to 'design out crime'

W6: Support for local arts, cultural, heritage and creative activities

W7: Support for active travel enhancement and other small-scale green transport infrastructure projects, having regard to the Wales Transport Strategy

W8: Funding for the development and promotion of wider campaigns and year-round experiences which encourage people to visit and explore the local area.

W9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places

W10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together

W11: Investment in capacity building and infrastructure support for local civil society and community groups

W12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

W13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

W14: Funding to support relevant feasibility studies

W15: Investment and support for digital infrastructure for local community facilities.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE COMMUNITIES AND PLACE LIST?

State the name of each of these additional interventions and a brief description of each of these

Following extensive consultation, no additional interventions proposed at this stage.

Explain how each intervention meets the Communities and Place investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

N/A

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity? All bids must also consider how they will deliver in line with subsidy control as set out in the guidance .	
Yes	No
Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.	
N/A	

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?	
Describe these projects, including how they fall under the Communities and Place investment priority and the location of the proposed project.	
<p>The region has consulted widely in local areas and a range of key programmes have been identified that sit under this investment priority. The following are examples of anticipated projects and programmes:</p> <p>Historic structures and conservation area feasibility and project fund</p> <p>Village and town centre small scale improvements recognisable to people in their places to fund both capital and revenue including support to shift towards more diverse town centres, creating digitally smart environments and embracing the greening of town centres and decarbonisation plus dedicated officer support to provide capacity and coordination. To interface carefully with Welsh Government Transforming Towns programme and building on successful ongoing development journey particularly around already identified key sites and priorities throughout the region. A mix of interventions is anticipated bridging across multiple interventions.</p> <p>Meanwhile Spaces programme – to utilise vacant high street premises to provide opportunities for micro businesses to start trading, add vibrancy and drive footfall</p> <p>Cultural capacity programme including activities that support the wellbeing of local communities in a range of areas from access to services, sports and leisure facilities, local culture and heritage through to addressing fuel poverty and climate change, e.g. warm hubs.</p> <p>Pilot Green Energy support programme</p> <p>Rural economic regeneration and community development programme – targeted rural programme that builds on the momentum of the previous Rural Development Programme across South West region. This will include work on the rural market towns across the region and valleys communities to support their development and sustainability</p> <p>Community led projects and support for social enterprises designed to create more vibrant and sustainable communities.</p>	
Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?	

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All grants will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Minimum Financial Assistance, as necessary, including appropriate use of procurement and commissioning in some cases.

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	✓
Jobs safeguarded	✓
Increased footfall	✓
Increased visitor numbers	✓
Reduced vacancy rates	✓
Greenhouse gas reductions	✓
Number of new businesses created	✓
Improved perception of markets	✓
Increased business sustainability	✓
Increased number of businesses supported	✓
Increased amount of investment	✓
Improved perception of attractions	✓
Number of businesses introducing new products to the firm	✓
Number of organisations engaged in new knowledge transfer activity	✓
Number of premises with improved digital connectivity	✓
Number of businesses adopting new to the firm technologies or processes	✓
Number of new to market products	✓
Number of R&D active businesses	✓
Increased number of innovation active SMEs	✓
Number of businesses adopting new or improved products or services	✓
Increased number of innovation plans developed	✓
Number of early stage firms which increase their revenue following support	✓
Number of businesses engaged in new markets	✓
Number of businesses engaged in new markets	✓
Number of businesses increasing their export capability	✓
Increased amount of low or zero carbon energy infrastructure installed	✓
Number of businesses with improved productivity	✓

Increased number of projects arising from funded feasibility studies	✓
Increased number of properties better protected from flooding and coastal erosion	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W16: Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.

W17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally

W18: Supporting Made Smarter Adoption: Providing tailored expert advice, matched grants and leadership training to enable manufacturing SMEs to adopt industrial digital technology solutions including artificial intelligence; robotics and autonomous systems; additive manufacturing; industrial internet of things; virtual reality; data analytics. The support is proven to leverage high levels of private investment into technologies that drive growth, productivity, efficiency and resilience in manufacturing.

W19: Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities, in both economically important and emerging areas. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices. Investment in doctoral training centres

W20: Research and development grants supporting the development of innovative products and services. Grants to increase the research capacity and level of collaboration between firms to share best practice

W21: Funding for the development and support of appropriate innovation infrastructure at the local level.

W22: Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places.

W23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.

W24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.

W25: Grants to help places bid for and host international business events and conferences that support wider local growth sectors

W26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

W27: Funding to develop angel investor networks nationwide.

W28: Export Grants to support businesses to grow their overseas trading, supporting local employment and investment.

W29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.

W30: Business support measures to drive employment growth, particularly in areas of higher unemployment.

W31: Funding to support relevant feasibility studies

W32: Funding to support progression of small businesses into productive medium sized firms

W33: Investment in resilience infrastructure and nature based solutions that protect local businesses and community areas from natural hazards including flooding and coastal erosion.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE SUPPORTING LOCAL BUSINESS LIST?

State the name of each of these additional interventions and a brief description of each of these

Following extensive consultation, no additional interventions proposed at this stage.

Explain how each intervention meets the Supporting Local Business investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

N/A

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity? All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

N/A

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

Describe these projects, including how they fall under the Supporting Local Business investment priority and the location of the proposed project.

The region has consulted widely in local areas and a range of key programmes have been identified that sit under this investment priority. These include learning from existing funded programmes under EU Structural Funds and UK Community Renewal Fund pilots. A number of emerging areas of activity include:

- Support for indigenous growth SMEs
- Supporting innovation with shared space, equipment, start up space
- Collaborative measures to support economic growth

The following are examples of anticipated projects and programmes:

Business Start-up and Growth Fund - targeted capital/revenue fund to support the development and growth of local businesses and to drive local employment.

Rural economic regeneration programme – targeted rural programme that builds on the momentum of the previous Rural Development Programme and offers support to rural businesses.

Tourism, culture and heritage fund – support to increase the local economic impact of the visitor sector by improving the visitor experience within towns and key tourist "hotspots" across the region

Property Development Funds - package of assistance to support developers and owner occupiers to invest in construction, expansion and refurbishments of property to meet the infrastructure needs of local businesses and to address the current viability gap which exists across the region.

Business support services that dovetail and complement Welsh Government Business Wales provision and ensure successful integration with other relevant interventions under Communities and Place to maximise business survival rates and economic vibrancy.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All grants will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Small Amounts of Financial Assistance, as necessary, including appropriate use of procurement and commissioning in some cases.
- Smaller grants will be delivered in line with the Small Amounts of Financial Assistance under Article 3.2(4) of the Trade and Co-operation Agreement (TCA).
- For property grants we will utilise SC10250 (Capital Investment and Employment Aid Scheme) which will provide same cover as previous GBER rules (SA. 60356 / 49737 / 39123)

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Number of economically inactive individuals in receipt of benefits they are entitled to following support	✓
Increased active or sustained participants of UKSPF beneficiaries in community groups [and/or] increased employability through development of interpersonal skills	✓
Increased proportion of participants with basic skills (English, maths, digital and ESOL)	✓
Number of people in supported employment [and] number of people engaging with mainstream healthcare services	✓
Number of people sustaining engagement with keyworker support and additional services	✓
Number of people engaged in job-searching following support	✓
Number of people in employment, including self-employment, following support	✓
Number of people sustaining employment for 6 months	✓
Increased employment, skills and/or UKSPF objectives incorporated into local area corporate governance	✓
Number of people in education/training	✓
Increased number of people with basic skills (English, maths, digital and ESOL)	✓

Fewer people facing structural barriers into employment and into skills provision	✓
Increased number of people familiarised with employers' expectations, including, standards of behaviour in the workplace	✓
Fewer people facing structural barriers into employment and into skills provision	✓
Number of people gaining a qualification or completing a course following support	✓
Number of people gaining qualifications, licences, and skills	✓
Number of economically active individuals engaged in mainstream skills education, and training.	✓
Number of people engaged in life skills support following interventions	✓
Number of people with proficiency in pre-employment and interpersonal skills (relationship, organisational and anger-management, interviewing, CV and job application writing)	✓
Multiply only - Increased number of adults achieving maths qualifications up to, and including, Level 2.	✓
Multiply only - Increased number of adults participating in maths qualifications and courses up to, and including, Level 2.	✓
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE PEOPLE AND SKILLS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

W34: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer to mainstream provision and to gain and retain employment, including wraparound support to people undertaking apprenticeships, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps. Funding for vocational training for economically inactive people, where the provision is additional to that funded via mainstream provision.
* via Multiply

W35: Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills** provision for people who are not economically inactive and who are unable to access other training or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications.

*where not being met through Department for Work and Pensions or Welsh Government provision.

W36: Activities such as enrichment and volunteering to improve opportunities and promote wellbeing.

W37: Interventions to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in community support to provide users with the confidence and trust to stay online.

W38: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses. This includes supporting the retention of groups who are likely to leave the labour market early.

W39: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding.

W40: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions.

W41: Retraining and upskilling support for those in high carbon sectors, with a particular focus on transitioning to green, and Industry 4.0 and 5.0 jobs.

W42: Funding to support local digital skills.

W43: Funding to support engagement and softer skills development for young people, with regard to the work of Careers Wales/Working Wales.

Multiply interventions

W44: Courses designed to increase confidence with numbers for those needing the first steps towards formal qualifications.

W45: Courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression.

W46: Courses aimed at prisoners, those recently released from prison or on temporary licence

W47: Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in order to access a certain job/career.

W48: Additional relevant maths modules embedded into other vocational courses.

W49: Innovative programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace.

W50: New intensive and flexible courses targeted at people without Level 2 maths in Wales, leading to an equivalent qualification (for more information on equivalent qualifications, please see [Qualifications can cross boundaries \(sqa.org.uk\)](http://Qualifications can cross boundaries (sqa.org.uk)))

W51: Courses designed to help people use numeracy to manage their money.

W52: Courses aimed at those 19 or over that are leaving, or have just left, the care system

W53: Activities, courses or provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE PEOPLE AND SKILLS LIST?

State the name of each of these additional interventions and a brief description of each of these

The region intends to use the “Cynnydd” type of intervention developed for use with young people most at risk of becoming NEET, as assessed by reference to their educational achievements, school or college attendance and behaviour alongside professional judgement to provide a “blended” approach to the assessment of the risk attached to each individual. This appears to fit under intervention W43 except that some of the young people involved maybe as young as 11.

The region also intend to train trainers so that they are able to deliver numeracy skills training in support of the Multiply initiative, due to the shortage of such trainers in Pembrokeshire and across the South West Wales region.

Explain how each intervention meets the People and Skills investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

Cynnydd is a bespoke Welsh solution to local and regional issues that are addressed within the framework of the Welsh legislative, policy and institutional arrangements. It is broadly aligned with the People and Skills objective of “Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills” but rather than being a reactive approach to tackling an individual’s isolation from the labour market, it is a proactive, preventative approach that is proven to avoid economic inactivity occurring in the first place. Evaluation evidence shows that the pandemic, which interrupted delivery to some extent, has intensified the level of anxiety, school phobia, poor social skills and poor mental health amongst the target group so increasing their risk of becoming NEET in later life.

The final interim evaluation report concludes *“evidence also demonstrates that where participants have engaged, the operation has been very successful in generating positive outcomes with 69% of the closed cases to date exiting the operation at a reduced risk of NEET. This is higher than expected (62%) despite the needs being more intensive than anticipated. Thus, the operation should be commended for its success rate with participants.”*

The Cynnydd operation is continuing until November 2022. The final evaluation, which will be available by February 2023 will include an analysis of return on investment. However an *ex ante* assessment demonstrated that a tailored intervention such as Cynnydd provided a significantly

better return to the public investment than either a generalised intervention or the “do nothing” option.	
The shortage of numeracy basic skills trainers was identified in consultation with adult education services in local authorities and further education colleges across South West Wales. This consultation was conducted as a part of the preparatory work behind this Investment Plan.	
Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention’s planned activity? All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.	
Yes	No
Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.	

ENGLAND ONLY: People and Skills interventions can only be used in 2022-2023 and 2023-2024 if you have identified a local voluntary and community provision, previously supported by the European Social Fund, at risk of closure. If you have not identified a suitable provision, you will not be able to select interventions for 2022-2023 and 2023-2024 and your investment plan will not be approved.		
HAVE YOU ALREADY IDENTIFIED ANY PROJECTS for 2024-2025 WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?		
Yes		
Describe the projects for 2024-25, including how they fall under the People and Skills investment priority and the location of the proposed project.		
N/A		
Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity? All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.		
Yes		
Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.		
N/A		
HAVE YOU IDENTIFIED A LOCAL VOLUNTARY PROVISION AT RISK AS PART OF YOUR PEOPLE AND SKILLS INVESTMENT PRIORITIES?		
Yes	No	
(If Yes) Describe the local voluntary provision at risk and your rationale for supporting it.		
N/A		
Provide the European Social Fund Project Names and Project References for this voluntary and community provision at risk.		
What year do you intend to fund these projects? Select all that apply.		
2022-2023	2023-2024	2024-2025
Describe the projects for 2022-2023 and 2023-2024, including how they fall under the People and Skills investment priority and the location of the proposed project.		
N/A		

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

N/A

SCOTLAND, WALES & NORTHERN IRELAND ONLY

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

Yes

Describe the projects, including how they fall under the People and Skills investment priority and the location of the proposed project.

The region has delivered a strong package of support measures under this theme for more than a decade, and more recently used the UK CRF opportunity to trial potential successor arrangements at local level and has consulted extensively at local level to understand priorities and nature of interventions going forward.

Key measures that will be consistent across the region include:

Supporting people into work - A bespoke multi-agency programme of tailored support to reduce economic inactivity and to support those furthest from the labour market back into work. The project will offer a menu of training opportunities including access to basic skills, employability support, mentoring and work placements to improve employment outcomes for specific cohorts who face labour market barriers including 50+. This could build on good practice on Pathways to Work Swansea CRF project.

Youth engagement provision – pre and post 16 provision to support young people to attain positive outcomes. This would involve the development of a programme of activities to engage children and young people. The project would work with those at risk of NEET or already NEET children and young people using preventative youth support approaches to engage with people who often have a range of complex needs. The project will include a series of bespoke youth support packages designed to support the individual towards better outcomes. Within the offer will be a number of posts including these linked to digital and media; emotional health and wellbeing; and youth work.

Projects of this nature have been successfully delivered previously. These initiatives will build on lessons learned from previous projects of this nature that have been successfully run across the region. This could include engaging with schools and colleges to include employability, childcare and construction.

“Cynnydd” type of intervention developed for use with young people most at risk of becoming NEET, as assessed by reference to their educational achievements, school or college attendance and behaviour alongside professional judgement to provide a “blended” approach to the assessment of the risk attached to each individual. This appears to fit under intervention W43 except that some of the young people involved maybe as young as 11. Cynnydd is a bespoke Welsh solution to local and regional issues that are addressed within the framework of the Welsh legislative, policy and institutional arrangements. It is broadly aligned with the People and Skills objective of “Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills” but rather than being a reactive approach to tackling an individual’s isolation from the labour market, it is a proactive,

preventative approach that is proven to avoid economic inactivity occurring in the first place. Evaluation evidence shows that the pandemic, which interrupted delivery to some extent, has intensified the level of anxiety, school phobia, poor social skills and poor mental health amongst the target group so increasing their risk of becoming NEET in later life.

A broad range of other emerging areas of activity include:

- Paid work experience
- Paid Placements project/apprenticeship support scheme.
- Prison leavers programme.
- (Potentially) NHS skills and placement project
- Pilot Green skills programme
- Addressing current and future skills needs of local employers
- Refugee and Asylum seeker employability and skills project - Swansea as city of sanctuary
- Pilot Skills and Brokerage service (GCS)
- Intensive In-work Support
- Supporting basic and life skills, so individuals are ready to lead fulfilling lives as valued members of society (linking to Multiply).
- Early intervention to provide young people and adults with the the skills and knowledge to manage everyday life independently
- Environmental projects to support group interaction, mental health and wellbeing.
- Structured sessions providing practical financial, budgeting, housing and money management.
- Pre-engagement programme.
- Enhance apprenticeship provision. Ensuring there is a flexible offer to young people not in education, employment or training – to include outside of normal office hours to support the needs of young people.
- Early identification and intervention for those transitioning to post 16 destinations.
- Targeted school support for school holidays

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes	No
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Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

All programmes will be delivered in line with UK Subsidy Rules.

A broad mix of interventions is proposed, some of which will constitute subsidy for particular activities. The region has considerable experience of managing subsidy control, which will be achieved by:

- Careful screening of activities at application stage through carefully designed questions on application forms and guidance
- Checking off at financial claim stage where appropriate
- Ensuring full visibility and use of subsidy control exemptions and thresholds including Minimum Financial Assistance, use of streamlined routes, as necessary, including appropriate use of procurement and commissioning in some cases.

Regional and local administrative teams will be alert to these requirements and ensure interventions are carefully designed to ensure full compliance and administrative requirements kept manageable to ensure focus on project delivery.

Approach to delivery and governance

In this section, we will ask you about:

- Structures you have in place to support delivery
- Support you have from stakeholders and the local community
- How you've engaged with MPs as part of your investment plan
- Opportunities you have identified to work with other places

Places need to show how MPs that cover the lead local authority have been engaged on the investment plan and whether they support it. More detail on the role of MPs can be found here.

STAKEHOLDER ENGAGEMENT AND SUPPORT		
Have you engaged with any of the following as part of your investment plan? Select all that apply.		
Public sector organisations YES	Private sector organisations YES	Civil society organisations YES
Describe how you have engaged with any of these organisations. Give examples where possible.		
<p>Meetings and engagement with the following:</p> <ul style="list-style-type: none">• Local authority internal officer groups in Neath Port Talbot, Swansea, Carmarthenshire and Pembrokeshire• Engagement sessions via local Councils for Voluntary Services in each local authority area• Consultation sessions with local multi-sector regeneration partnerships in each local area• Business Advisory Groups• Regional Learning & Skills Partnership – Business event on 20th June 2022• Regional Adult and Community Learning engagement group• Regional engagement online 18 July 2022 <p>External Stakeholder digital consultation exercise in each local area</p> <ul style="list-style-type: none">• Various networks spanning over 200 organisations		
Summarise the governance structures you have in place, including how any advisory panels or associated partnership groups are made up		
<p>Each local area has a comprehensive local regeneration partnership with the following membership and links:</p> <ul style="list-style-type: none">• Higher Education• Further education• Third sector/CVCs• Representatives from the Business Advisory Groups/Business Improvement Districts• Rural regeneration groups• Strategic Town Fora representatives• Social Business Wales• Small Business Federations• Chambers Wales• Regional Learning & Skills Partnership <p>Each partnership has discussed the key principles and programme challenges and opportunities outlined in this plan.</p> <p>MPs and MS' have been engaged across the region including:</p>		

MPs
 Simon Hart
 Nia Griffiths
 Stephen Crabb
 Jonathan Edwards
 Geraint Davies
 Tonia Antoniazzi
 Carolyn Harris
 Stephen Kinnock
 Christina Rees

MS'
 Eluned Morgan
 Joyce Watson
 Cefin Campbell
 Adam Price
 Lee Waters
 Jane Dodds
 Samuel Kurtz
 Paul Davies
 Mike Hedges
 Julie James
 Rebecca Evans
 David Rees
 Jeremy Miles

Some members are opting to take part in local partnerships, others prefer to be engaged separately on an ongoing basis and kept apprised of developments.

Confirm all MPs covering your lead local authority have been invited to join the local partnership group.

Yes

Are there MPs who are not supportive of your investment plan?

No

(If Yes) Who are the MPs that are not supportive and outline their reasons why.

There are no indications of MPs not being supportive.

PROJECT SELECTION

Are you intending to select projects in any way other than by competition for funding?

No

(If Yes) Describe your approach to selecting projects, and why you intend to do it this way.

The programme presents an exciting opportunity to design and deliver local interventions with regional consistency, and to pool and commission activity across places where this makes sense and adds value for the people and communities receiving support.

South West region is keen to design interventions to ensure that funding is directed to projects that make sense to people and businesses, with the focus on delivery and delayering of bureaucracy as far as possible. Funding arrangements should ensure they follow the constitutional arrangements for organisations in receipt of funding and factor potential impact of administrative burden created by complex legal and financial arrangements and aim to keep these to the minimum required to ensure effective delivery and added value.

Whilst there is a need to accommodate transition from existing programmes to an extent, exit strategy remains a key question for any activity of any scale by any organisation, and organisations

will be expected to articulate this point carefully in applications - the programme activity should be about enabling and supporting sustainable activities, not creating long-term dependencies.

The region consists of four partner local authorities with well over a decade of constructive and positive collaborative working, with individual local allocations. The understanding is that the allocations are fundamentally local allocations with a regional oversight to share good practice, consistency and good programme management, whilst allowing each local area the flexibility to adapt programmes to meet the subtle differences in local need, as well as addressing a large number of challenges and opportunities held in common.

The region intends to use 4% of the funds between Swansea as lead authority working closely with small teams in each individual local authority to ensure seamless delivery of the programme. A collaborative approach has worked well between the partner authorities over a number of years on a range of programmes including most recently the Welsh Government Transforming Towns programme which follows the same basic model as proposed here.

The approach will be finalised once the project guidance is issued during August but the working intention is to deploy the following delivery methods in all cases being clear on local and regional benefit of activities proposed:

- Carefully chosen grant schemes that enable businesses and communities to benefit from programme opportunities
- Commissioned activity at local and regional where there is a direct benefit to the people in their communities and businesses across the region, with direct applicability during the programme period
- Procured activity at local and regional level
- Opportunities to work across regions where appropriate and value added and where there is specific evidence of local benefit
- In-house delivery where appropriate and commensurate with organisational duties
- Ensuring appropriate match funding input depending on scale and nature of activity and avoiding paper-chase distracting from project delivery
- Ensuring genuine engagement from project deliverers and evidence of capacity to deliver
- Ensuring project deliverers have sufficient capacity to manage and deliver projects effectively
- Multi-agency approaches where appropriate and ensuring sufficient administrative capacity to operate projects effectively.

Guidance-permitting these approaches will be used individually or in combination subject to the needs of particular activities and projects.

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	
Describe any interventions not included in this list?	
N/A	
Who are the places you intend to collaborate with?	

South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	

Describe any interventions not included in this list?

N/A

Who are the places you intend to collaborate with?

South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
To be developed over the period of SPF	

Describe any interventions not included in this list?

N/A

Who are the places you intend to collaborate with?

South West Wales region and key places where existing cross-boundary working relationships will continue. As described above, a key concern is ensuring that programme management does not lead to excessive bureaucracy and legal and financial overheads. The current working intention is developing a pragmatic approach to project design that enables effective collaboration, regional consistency and local accountability and visible delivery.

PUBLIC SECTOR EQUALITY DUTY

How have you considered your public sector equality duty in the design of your investment plan?

All four partner local authorities have published their Strategic Equality Plans for 2020-24 on their public websites below.

[Strategic Equality Plan – Neath Port Talbot Council \(npt.gov.uk\)](http://npt.gov.uk)

[Strategic Equality Plan - Appendix A.pdf - Swansea Council \(swansea.gov.uk\)](http://swansea.gov.uk)

[Strategic Equality Plan - Carmarthenshire Council \(carmarthenshire.gov.uk\)](http://carmarthenshire.gov.uk)

[Strategic Equality Plan 2020 - 24 - Pembrokeshire County Council](http://pembrokeshire.gov.uk)

All activities carried out by the local authorities including the design of this investment plan takes account of our legal obligations under the Equality Act 2010.

How will you consider your public sector equality duty when implementing your investment plan, including in the selection of projects?

When implementing the investment plan and during project selection we will pay due regard to how the applicants have considered the equalities impacts of their proposals, the relevant affected groups based on protected characteristics and any measures proposed in response to these impacts.

RISKS

Have you identified any key risks that could affect delivery, for example lack of staff or expertise?

Yes	No
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(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.

Budgets have been set for the first year of programme delivery with indications that carry forward into future years will not be possible. The speed of design and implementation of the project development and approval process will therefore be time critical and failure to proceed at pace will risk funds being lost to the region. This will be mitigated by the dialogue already initiated with potential project delivers and early thinking on shaping of interventions to ensure the programme is up and running as quickly and efficiently as possible. This is subject to UK Government guidance being issued in a timely manner.

Multiply funding is provided at a considerable scale, quick resolution of early doors concerns will enable a swift start to capacity building and effective use of the funding opportunity.

Staff in the partner local authorities at senior management and programme level are in place and have the experience and expertise to design and implement this programme in a timely and efficient manner.

Managing demand and expectations particularly for legacy funded schemes where there could be loss of staff with experience and expertise. Some form of bridging arrangement is likely to be required but not an automatic refunding of legacy schemes.

As with the delivery with the UK Community Renewal Fund (CRF), programme level risk register for each priority will be developed, as well as ensuring that individual SPF projects maintain their own registers, which assess the seriousness of a risk, mitigation measures, reporting procedures and details of risk owners and actionees

Have you identified any key fraud risks that could affect UKSPF delivery?

No	
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(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.

No key fraud risks have been identified that would affect UKSPF delivery or otherwise

Partner local authorities all have effective systems for due diligence and robust Financial Procedure Rules in their constitutions which will be followed for this programme. These document in detail how the local authorities deal with risk management and control of resources, this includes procedures for:

- Risk Management
- Internal Control
- Audit Requirements
- Preventing Fraud, Corruption and Malpractice assets.

The partner authorities have grants manuals and accounting instructions in place that create a robust oversight and rigorous financial management.

Capacity and capability

In this section, we will ask you about:

- The capacity and capability of your team to manage funding
- The resources you have in place for work related to UKSPF

Your answers here will help us know how to support you with delivery. They will not affect the amount of funding you will get.

Answer as honestly as possible.

TEAM RESOURCE

How many people (FTE) will be put in place to work with UKSPF funding?

The working proposal is to create an effective administrative capacity linking the lead regional team in Swansea with local capacity in each of the four component authorities to ensure that the programme can effectively manage a strong portfolio of activities across the region, with effective and seamless communication and effective tangible delivery.

Describe what role these people will have, including any seniority and experience.

Swansea regional lead and day to day delivery

The lead Head of Service for Shared Prosperity Fund is Phillip Holmes, Head of Planning and City Regeneration in Swansea, whilst the lead Senior Manager is Paul Relf, Economic Development & External Funding Manager. The team responsible for the day-to-day management and delivery of the Shared Prosperity Fund on a regional basis will be headed up by Paul. Key personnel in the Economic Development and External Funding Team are detailed below who will be involved with the design and development of SPF both at regional level and at a local level in Swansea.

Key Personnel in Swansea:

- Paul Relf – Economic Development & External Funding Manager – over 20 years' experience in the development of economic policy, grant funding, programme and project design and delivery.
- Clare James – Economic Development Manager – over 20 years' experience in the development of economic policy, programme and project design and delivery.

- Elliott Williams – External Funding Manager – over 10 years’ experience in grant funding and the development and delivery of programmes and projects.
- Richard Horlock – Principal External Funding Officer - over 10 years’ experience in the delivery of programme and project delivery.
- Neil Stokes – External Funding Programme Officer - over 5 years’ experience in the delivery of programmes and projects.
- Lukasz Dymarkowski – External Funding Programme Officer – over 5 years’ experience in the delivery of programmes and projects.
- Hannah Healy – External Funding Officer – over 10 years’ experience in the delivery of programmes and projects.

Additional staff will be seconded to the delivery of SPF at the appropriate time, however it is worth noting that the team is currently made up of over 60 members of staff with a wide range of experience in the development and delivery of both capital and revenue projects, including employability and skills schemes, business support, physical regeneration and heritage schemes, plus, rural, culture and tourism and education interventions. Skill sets include policy and project development, project management, finance, procurement and legal expertise. The team is also able to access subject matter expertise from a wide range of colleagues and services both within the Local Authority and externally through a robust network of public, private and third sector partners and has experience in doing so to develop and deliver a strong and varied portfolio of activities. Over recent years the team has secured funding, developed a portfolio of projects in excess of £100m and played a key role in the implementation of those projects at both a regional and local level.

Neath Port Talbot

Day-to-day delivery

Lisa Willis – Strategic Funding Programmes Manager. Over 20 years’ experience in project and programme management, grant funding, strategic policy, governance and assurance.

Claire Williams – Strategic Funding Manager. Over 10 years’ experience in project and programme management, monitoring and evaluation, compliance and assurance.

Julia Lewis – Strategic Funding Officer. Over 10 years’ experience of project and programme coordination and monitoring.

Strategic Funding Officer – Loreen Jenkins. Over 10 years’ experience of grant funding, finance and claims, monitoring and compliance.

Strategic Funding Officer – to be appointed. To support the delivery of the UKSPF in Neath Port Talbot.

The team works closely with internal and external partners from the public, private and third sectors and academia, across a wide area of priority areas including: regeneration, economic development, community coordination, employability, skills, transport and heritage.

Additional support from:

Nicola Pearce – Director of Environment and Regeneration. SRO for UKSPF in Neath Port Talbot.

Simon Brennan – Head of Property and Regeneration

Huw Jones – Chief Finance Officer

Craig Griffiths – Head of Legal Services

Chris Millis – Head of Education Development

All of the Council Officers in the roles identified above have extensive experience of project delivery and management in their own respective fields.

Track record

Neath Port Talbot Council has strong capability and capacity, with a successful track record of securing funding from a range of WG, European Structural Investment Funds, Lottery and LEADER and ensuring successful delivery, project compliance, monitoring and reporting for a wide variety of local and regional, revenue and capital funded projects. Some examples include:

- PDR Harbour Way Transport Scheme - £111m
- 21st Century Schools Programme - £122m

- Neath Port Talbot Regeneration - £15m
- Vibrant and Viable Places - £35m
- UK Community Renewal – suite of six local projects - £2.4m

Carmarthenshire

Day-to-day delivery

Helen Morgan – Economic Development Manager – over 20 years’ experience in programme / project delivery

Rhian Philips – Economic Development Area Manager - – over 20 years’ experience in programme / project delivery

Beth Walters – Regional Engagement Team Manager– over 10 years’ experience in programme / project delivery

Jayne Prichard – Senor Coordinator– over 20 years’ experience in programme / project delivery

Jonathan Hancock – Bureau Coordinator– over 20 years’ experience in programme / project delivery

All 5 have had extensive experience of external funding, including the Lottery and the EU Structural Funds (ERDF / ESF) and EU LEADER Programme.

Support from

Jason Jones – Head of Regeneration

Randal Hemingway - Head of Financial Services

Linda Rees Jones – Head of Legal Service

Helen Pugh – Head of Revenues and Financial Compliance

Chris Moore – Director of Finance

Pembrokeshire

In Pembrokeshire, this role will be taken by the External Funding Team with in the Finance Division of the Resources Directorate. It is anticipated that the following staff will be available to work on UK SPF. These staff will move onto UK SPF work as they complete work on EU and UK CRF programmes.

External Funding Manager	0.3 FTE
External Funding Officer	2.1 FTE
Senior Grant Officer	0.2 FTE
Grant Officer	3.5 FTE
Performance & Monitoring Officer	1.0 FTE

Pembrokeshire may in addition need to appoint one or more further Grant Officers, and make use of a Subsidy Control Officer currently being recruited, and will also seek support from Legal and Human Resources teams.

External Funding Manager

Managing and overseeing the work of the External Funding Team. Lead for Pembrokeshire County Council on the UK SPF. Direct supervision of External Funding Officers, Senior Grant Officer and Subsidy Control Officer. Worked on UK, EU and Welsh Government grant programmes with over 25 years’ experience.

External Funding Officer

Application appraisal; liaison with projects awarded UK SPF to problem-solve and ensure that projects remain on track and compliant with funding conditions; sense-checking of claims and monitoring reports; local publicity initiatives; compilation of non-financial audit evidence (e.g.

procurement evidence). Direct supervision of Performance & Monitoring Officer. Postholders have at least 20 years of grant management experience.

Senior Grant Officer

Supervision of Grant Officers. Accountancy qualified and with over five years' experience of grant management.

Grant Officers

Preparation of grant claims, production of estimates and compilation of audit evidence. Accountancy qualified to AAT or part-qualified ACCA.

Performance & Monitoring Officer

Monitoring and verification of outputs and outcomes; production of statistical reports. Experience mainly on ESF programmes with over five years' experience.

Subsidy Control Officer

Ensuring that all UK SPF projects delivered through Pembrokeshire County Council are compliant with the Subsidy Control Act 2022 and related legislation. New post, but will be supported by the External Funding Manager.

- Strong capability: Has extensive experience and/or a proven track record of delivery in this area.
- Strong capacity: High degree of confidence that there is enough staffing/resource to manage funding in this area.
- Some capability: Has previous experience of delivery in this area.
- Some capacity: Confident that there is enough staffing/resource to manage funding in this area.
- Limited capability: Does not have previous experience and/or no track record of delivery in this area.
- Limited capacity: Limited confidence that there is enough staffing/resource to manage funding in this area. Additional resource may be needed to support delivery.

CAPACITY AND CAPABILITY		
How would you describe your team's current experience of delivering funding and managing growth funds?		
✓ Very experienced	Some experience	No previous experience
How would you describe your team's current capability to manage funding for procurement?		
✓ Strong capability	Some capability	Limited capability
How would you describe your team's current capability to manage funding for procurement?		
✓ Strong capability	Some capability	Limited capability
How would you describe your team's current capacity to manage funding for procurement?		
✓ Strong capacity	Some capacity	Limited capacity
How would you describe your team's current capability to manage funding for subsidies?		
✓ Strong capability	Some capability	Limited capability
How would you describe your team's current capacity to manage funding for subsidies?		
✓ Strong capacity	Some capacity	Limited capacity

COMMUNITIES AND PLACE CAPACITY AND CAPABILITY	
Does your local authority have any previous experience of delivering the Communities and Place interventions you have select?	
Yes	

How would you describe your team's current capability to manage funding for Communities and Place interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capability challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
N/A		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		
How would you describe your team's current capacity to manage funding for Communities and Place interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capacity challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
N/A		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		

SUPPORTING LOCAL BUSINESS CAPACITY AND CAPABILITY		
Does your local authority have any previous experience of delivering the Supporting Local Business interventions you have select?		
Yes		
How would you describe your team's current capability to manage funding for Supporting Local Business interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capability challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
N/A		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		
How would you describe your team's current capacity to manage funding for Supporting Local Business interventions?		
<input checked="" type="checkbox"/> Strong capability	<input type="checkbox"/> Some capability	<input type="checkbox"/> Limited capability
Describe the key capacity challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Further staff capacity is likely to be need within project interventions.		
Describe what further support would help address these challenges.		
Further staff capacity is likely to be need within project interventions.		

PEOPLE AND SKILLS CAPACITY AND CAPABILITY

Does your local authority have any previous experience of delivering the People and Skills interventions you have select?

Yes

How would you describe your team’s current capability to manage funding for People and Skills interventions?

Strong capability

Some capability

Limited capability

Describe the key capability challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.

N/A

Describe what further support would help address these challenges.

Further staff capacity is likely to be need within project interventions.

How would you describe your team’s current capacity to manage funding for People and Skills interventions?

Strong capability

Some capability

Limited capability

Describe the key capacity challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.

Further staff capacity is likely to be need within project interventions.

Describe what further support would help address these challenges.

Further staff capacity is likely to be need within project interventions.

SUPPORT TO DELIVERY UKSPF

All lead authorities can use up to 4% of their UKSPF allocation to support the delivery of their chosen interventions but by exception, lead authorities will be able to use more than 4%. Are you planning to use more than 4%?

Yes

No

(If Yes) Explain why you wish to use more than 4%.

Initial proposal is to work within the 4% allocation.

Approvals

Before submitting your investment plan, you should have approval from your:

- Chief Executive Officer
- Section 151 Officer
- Leader of your lead authority

Do you have approval from your Chief Executive Officer for this investment plan?

- Yes**
- No

Do you have approval from your Section 151 Officer for this investment plan?

- Yes**
- No

Do you have approval from the leader of your lead authority for this investment plan?

- Yes**
- No

If you do not have approval from any of these people, please explain why this is:
--

N/A

Additional documents

You will have received an email giving you access to a folder where you will need to upload supporting evidence to your investment plan. All applicants must complete and upload the following spreadsheet to the folder prior to submitting their investment plan:

- UKSPF Expenditure Profile spreadsheet
- UKSPF Indicative Deliverables spreadsheet

Your investment plan submission will be considered incomplete without the required documents.

Have you completed and uploaded the two spreadsheets to the SharePoint folder as requested?

- Yes**
- No

CABINET
25 GORFFENNAF 2022

EISTEDDFOD GENEDLAETHOL YR URDD SIR GAERFYRDDIN
2023

Y Pwrpas:

Cymeradwyo'r cyfraniad ariannol a chytundeb dealltwriaeth rhwng Cyngor Sir Caerfyrddin ac Eisteddfod Genedlaethol yr Urdd.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

- Cytuno'n ffurfiol i gefnogi Eisteddfod Genedlaethol yr Urdd Sir Gaerfyrddin 2023 yn ariannol a bod cyfraniad ariannol o £80,000 yn cael ei wneud i Eisteddfod yr Urdd.
- Cefnogi Eisteddfod Genedlaethol yr Urdd gyda'r gwasanaethau a restrir yn yr adroddiad.
- Deina Hockenull, rheolwr marchnata a'r cyfryngau i arwain ar y prosiect hwn ac i adrodd yn ôl i'r Cabinet bob chwarter.

Y Rhesymau:

Bydd Sir Gaerfyrddin yn croesawu Eisteddfod Genedlaethol yr Urdd i'r Sir yn 2023. Er mwyn i hyn fod yn llwyddiant, mae angen cytundeb dealltwriaeth rhwng y Cyngor a'r Urdd er mwyn sicrhau bod gwasanaethau'n cael eu cynnwys yn y ffordd orau bosibl a bod adnoddau'n cael eu nodi'n gywir.

Cytunodd y bwrdd gweithredol yn ei gyfarfod ar 22 Mehefin 2018 i gynnal Eisteddfod Genedlaethol yr Urdd yn 2021. Oherwydd y pandemig bu'n rhaid i'r dyddiad hwn newid, a bydd Sir Gaerfyrddin bellach yn cynnal y digwyddiad yn 2023. Cadarnhawyd mai Llanymdyfri yw'r lleoliad.

Bydd yr adroddiad canlynol yn tanlinellu'r berthynas waith y bydd ei hangen rhwng y Cyngor a'r Urdd i sicrhau bod Sir Gaerfyrddin yn cynnal digwyddiad llwyddiannus yma yn y Sir.

Angen ymgynghori â'r Pwyllgor Craffu perthnasol: Ddim yn berthnasol

Angen i'r Cabinet wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad Amherthnasol

YR AELOD CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:- Y Cyngorydd Glynog Davies

Y Gyfarwyddiaeth: Prif
Weithredwr

Awdur yr Adroddiad: Deina
Hockenull

Swydd: Rheolwr Marchnata a'r
Cyfryngau

Cyfeiriadau E-bost:
DMHockenull@sirgar.gov
.uk

**EXECUTIVE SUMMARY
CABINET
25 JULY 2022**

CARMARTHENSHIRE NATIONAL URDD EISTEDDFOD 2023

Background

The Urdd National Eisteddfod is one of Europe's largest travelling festivals which attracts in the region of 100,000 visitors a year. Over 15,000 children and young people under 25 years old compete as finalists at the event. The annual cost of hosting the Urdd Eisteddfod is approximately £2.1m. Though the event organisers receive some financial support from Welsh Government and other key commercial partners there is always a shortfall that requires to be met by the Urdd themselves.

The event is held during the Whitsun holiday in May/ early June each year, with the location alternating between north and south Wales. The last time the Urdd visited Carmarthenshire was in 2007 when it was held on the grounds of Nant y ci showground, Carmarthen.

The Eisteddfod would contribute to the economic well-being of Carmarthenshire, as the festival historically contributes up to £6 million to the local economy of the host county, with the hospitality industry benefitting mostly from the spend.

The Eisteddfod would also make a significant contribution to the development of the Welsh Language in the county and would reflect the commitment to support the aspiration of reaching a million Welsh speakers by 2050.

In addition to the footfall benefit of an event such as the Urdd we must also consider how the event is broadcasted on a variety of media, including over the week, 80 television broadcasted hours with a reach of 487,000 viewers. 50 hours radio broadcasting as well as content and broadcasts in the local and national media. The Urdd Eisteddfod has also a prominent presence on various social media networks.

This year was the first Urdd Eisteddfod since the pandemic and many changes have been made which we will need to consider and reflect. An independent report is being commissioned by the Urdd and we will have sight of this and model the Carmarthenshire event accordingly.

The Urdd have already highlighted the possible additional support that the Council will be required to undertake to ensure the event is managed successfully.

There would be an impact on staffing, as various co-ordination groups and committees would need to be set up to work with the Urdd Eisteddfod organisers, to ensure a successful event. Those teams will work on a wide range of issues, including public realm, licensing, supporting local businesses and opportunities for schools. The Council will have a significant involvement in a range of elements including the corporate presence on the Maes, schools' involvement, participation in the proclamation ceremony, highways, waste management. These additional costs and resources will need to be considered and costs will need to be met.

The recommendation is that an £80,000 financial contribution is made to the Urdd Eisteddfod.

The Urdd are requesting from us as the host County to work in partnership to ensure a successful Urdd Eisteddfod is held in Carmarthenshire and that the best possible experience is given to the children, young people, and residents of the county during the 12month preparation and during the week of the event. To recognise that our services are required to achieve this, it is recommended that a set budget of up to £100k is put aside to accommodate additional direct costs.

DETAILED REPORT ATTACHED?	No
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Deina Hockenull Marketing and Media Manager

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	YES	YES	YES	TBC

Policy, Crime & Disorder and Equalities

The Eisteddfod would also make a significant contribution to the development of the Welsh Language in the county and would reflect the commitment to support the aspiration of reaching a million Welsh speakers by 2050.

Involvement will be required to ensure that all aspects of the event are accessible and available to all.

In addition to this the ability to promote at the event will give us an excellent platform to highlight some key policies and services such as climate change, decarbonisation, and our net zero target.

Legal

Service Level Agreement (SLA) between the authority and Urdd Eisteddfod to be drafted

Finance

The recommendation is that an £80,000 financial contribution is made to the Urdd Eisteddfod.

To recognise that our services are required to ensure a successful event, it is recommended that a set budget of up to £100k is put aside to accommodate additional direct costs.

A representative from finance will be asked to attend the internal working group which has been formed.

ICT

No clear implication at this stage but an ICT representative is part of the internal working group that meet monthly.

Risk Management

This to be monitored and considered at all times as the project develops, and information is provided by the event organisers.

Staffing Implications

Staff within various services will be implicated as noted within this report.

Physical Assets

No requests have currently been made but this could be an issue as the Eisteddfod focus on Carmarthenshire during the next 12months and require land and buildings for various elements of the event. A representative attends the monthly internal working group

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below.

Signed: Deina Hockenull Marketing and Media Manager

1. Scrutiny Committee

2. Local Member(s)

A clear communication with the local member of Llandovery is already taking place. Regular communication to all members will also be required as the event gains momentum.

3. Community / Town Council

A clear communication with the local member of Llandovery is already taking place. Regular communication to all members will also be required as the event gains momentum

4. Relevant Partners

A number of leisure / tourism attractions are already being informed of the impact of this event to Carmarthenshire and especially the area of Llandovery. The 10towns market officer is part of the internal working group and is working with various partners to maximise the opportunity this event will bring to the area.

5. Staff Side Representatives and other Organisations

Internal working group has been set up and the National Urdd Eisteddfod will now be a regular agenda item at SAG. Marketing and media representatives will meet the Urdd representatives on a monthly basis to manage demand and expectation.

List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection

Mae'r dudalen hon yn wag yn fwriadol

Y CABINET

25/07/2022

PANEL YMGYNGHOROL TRAWSBLEIDIOL YNGHYLCH NEWID YN YR HINSAWDD

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Cymeradwyo aelodaeth a cylch gorchwyl y Panel Ymgynghorol Trawsbleidiol ynghylch newid yn yr hinsawdd fel y nodir yn yr adroddiad.

Y Rhesymau:

Galwodd y Cyngor yn ei gyfarfod a gynhaliwyd ar 9 Chwefror 2022 ar y Cabinet i hyrwyddo ei ymrwymiad drwy ddatgan Argyfwng Natur a sefydlu Panel Ymgynghorol Trawsbleidiol i gefnogi dull yr awdurdod hwn o ymdrin â newid yn yr hinsawdd ac argyfwng natur ac ymgorffori mabwysiadu Datganiad Caeredin.'

Ymgynghorwyd a'r Pwyllgor Craffu Perthnasol

Amherthnasol

Angen l'r Bwrdd Gweithredol Wneud Penderfyniad

Oes

Angen l'r Cyngor Wneud Penderfyniad

Nac Oes

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:- Y Cyng. Aled Vaughan Owen

Y Gyfarwyddiaeth: Prif Weithredwr / Amgylchedd
Linda Rees Jones/Noelwyn Daniel

Awduron yr Adroddiad:
Rhodri Griffiths
Gaynor Morgan

Swyddi:Pennaeth y Pennaeth TG a Pholisi/PennaethGweinyddiath a'r gyfraith
Pennaeth Lle a Chynaliadwyedd / PennaethGwasanaethau Democrataidd.

Rhifau ffôn:
01267 224026 (GM)
Cyfeiriadau E-bost:
SGPilliner@sirgar.gov.uk
GMorgan@sirgar.gov.uk

CABINET

25TH JULY 2022

CLIMATE CHANGE CROSS PARTY ADVISORY PANEL

Council at its meeting held on the 9th February 2022 (Minute 10.2 refers) referred a notice of motion to Cabinet recommending the establishment of a Climate Change Cross Party Advisory Panel. Subsequently Cabinet at its meeting held on the 4th July 2022 (Minute ?? refers) agreed to establish the Panel with the terms of reference and membership being agreed at a future meeting.

This report sets out the proposed terms of reference for the group and a membership thereof. In order to avoid any delay in establishing the Panel, the Group Leaders have been asked to nominate representatives to sit on the Panel and the following nominations have been received:

9 members politically balanced including the Cabinet Member who will Chair the Panel:-

Plaid Cymru (5)

- 1) Councillor Aled Vaughan Owen (CM)
- 2) Neil Lewis
- 3) Hefin Jones
- 4) Liam Bowen
- 5) Andrew Davies

Labour (3)

- 1) Shelly Godfrey-Coles
- 2) John James
- 3) Rob James

Independent (1)

- 1) Vacancy – to be confirmed at a later date.

DETAILED REPORT ATTACHED ?

Terms of Reference (Appendix A)

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Noelwyn Daniel – Head of ICT and Corporate Policy
Linda Rees Jones, Head of Administration & Law

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NO – see below	NONE	NONE	NONE

Policy, Crime and Disorder

The role of the Advisory Panels is to assist the Cabinet in its prime role of policy formulation. Scrutiny Committees will be involved at this stage in policy formulation through non-executive membership of the panel.

Financial

Members of the advisory panel will be able to claim reimbursement of travel and costs of care when attending meetings of the Advisory Panel. It is expected that these costs will be minimal and will be met from existing budgeted resources

Staffing Implications

The advisory panel will be serviced from existing departmental resources.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Noelwyn Daniel – Head of ICT and Corporate Policy
Linda Rees Jones, Head of Administration & Law

1. Scrutiny Committee

Not applicable

2. Local Member(s)

Not applicable

3. Community / Town Council

Not applicable

4. Relevant Partners

Not applicable

5. Staff Side Representatives and other Organisations

Not applicable

Section 100D Local Government Act, 1972 – Access to Information List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Council 9 th February 2022		https://democracy.carmarthenshire.gov.wales/documents/g5178/Printed%20minutes%2009th-Feb-2022%2010.00%20County%20Council.pdf?T=1
Cabinet 4 th July 2022		https://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&MId=5508&Ver=4

Climate Change and Nature Emergency Cross Party Advisory Panel

Purpose

The February 2022 Notice of Motion calls on cabinet to establish a Climate Change and Nature Emergency Cross Party Advisory Panel (CCNEAP). The Monitoring officer has agreed for the AP to consider their draft Terms of Reference at the first meeting and refer the draft to Cabinet for consideration.

Original NOM text

This Council declared a Climate Emergency in February 2019 and has made a commitment to becoming a net zero carbon local authority by 2030. Steps have been taken across our fleet, buildings and across the county to tackle climate change and we are on track to achieve our targets.

The Welsh Parliament became one of the first parliaments in the world to declare a Nature Emergency in 2021.

This Council calls on the Cabinet to further its commitment by declaring a Nature Emergency and establishing a Cross Party Advisory Panel to support this authority's approach to climate change and nature emergency and incorporate the adoption of the Edinburgh Declaration.

Draft Terms of Reference

1. Membership and constitution

- i. The Climate Change and Nature Emergency Cross Party Advisory Panel (CCNEAP) shall comprise 9 elected Members of the Council
- ii. The CCNEAP is an advisory group whose members reflect the Council's political balance and as nominated by the Leader of each political group.
- iii. The Chair of the Cross Party group will nominally be the Cabinet Member with responsibility for Climate Change, Decarbonisation and Sustainability subject to consideration by the group at the first meeting.
- iv. Members are reminded that the rules set out in the council's Constitution, Code and protocols with regard to making declarations of interest will apply to Members of the CCNEAP.

2. Meetings

- i. The CCNEAP will meet quarterly to be scheduled by the secretariat on agreed dates unless otherwise agreed by the Chair. Urgent meetings of the group can be convened if considered appropriate by the Chair.
- ii. Meetings shall be held in private although other Members not sitting on the CCNEAP will be welcome to observe.
- iii. The secretariat will be provided by the portfolio department and for the purposes of accuracy and transparency will keep adequate notes of the matters

considered which shall be available for inspection by officers and other Members of the Council.

- iv. Agenda's for the meeting will be sent to attendees at least 5 calendar days prior to each meeting of the panel.

3. Role.

- i. The aim of the CCNEAP is to provide advice to the Council's Cabinet on the development and implementation of policies and programmes to tackle Climate change, deliver the transition to net zero by 2030 and address the nature emergency.
- ii. The CCNEAP is not decision making.
- iii. The panel will receive regular updates and options from officers on progress against the Council's net zero action plan and Environment act action plan with the aim of reaching a consensus as to how the council should continue move forward to meet the challenges set by the Motion.
- iv. The CCNEAP may also seek advice from external bodies on an invite basis
- v. The Panel shall advise and make recommendations to the Cabinet by report. Under the terms of the Council's constitution policy decisions in respect of Climate Change and the nature emergency form part of the policy framework is reserved for decision by Cabinet with the ability for a Scrutiny Committee to scrutinise such decisions as considered necessary

4. Objectives

The objectives of the CCNEAP;

- To support the Cabinet in promoting social, economic and environmental well-being of the people, communities and places of Carmarthenshire through the development and implementation of policies and programmes to tackle Climate change, deliver the transition to net zero by 2030 and address the nature emergency
- To consider and advise the Cabinet on the scope, progress and continuing development of the Council's net zero and Environment Act action plans and to make recommendations for their development now and for future generations in accordance with the principles of the Wellbeing and Future Generations Act.
- Provide advice on the development of specific actions and policies relating to nature's assets which support the reduction of the Council's Carbon Footprint and respond to Net Zero ambitions.
- To Provide a forum across the Council to develop these commitments and in doing so, become more ambitious through challenging how the Council operates and approaches challenges in the future to become a 'Net Zero' Council by 2050 and enhances biodiversity.

- To monitor developments in national and international policy and programmes for Climate Change and nature development and to advise the Cabinet on how it may effectively deal with their implications at the local level.
- To consider any relevant county and local information, data and research identifying any key issues in support of the Council's activities.
- To support and advise upon the County Council's actions to communicate issues in relation to the climate change and nature emergency.
- To make relevant recommendations to the Cabinet addressing the Notices of Motion agreed by County Council on the February 2019 in respect of Climate Change and 9 February 2022 in relation to the nature emergency (10.2)

Mae'r dudalen hon yn wag yn fwriadol

**Y CABINET
25 GORFFENAF 2022**

**ADRODDIAD BLYNYDDOL YNGYLCH RHEOLI'R
TRYSORLYS A'R DANGOSYDD DARBODAETH 2021-2022**

Cydymffurfio â Chôd Ymarfer CIPFA (Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth) ar gyfer Rheoli Trysorlys yn y sector Gwasanaethau Cyhoeddus.

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Derbyn yr adroddiad a 'i gyflwyno i'r Cyngor Llawn.

Y Rhesymau:

Cydymffurfio â Chôd Ymarfer CIPFA (Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth) ar gyfer Rheoli Trysorlys yn y sector Gwasanaethau Cyhoeddus.

**Ymgynghorwyd â'r pwyllgor craffu perthnasol
19/10/2022**

Pwllgor Craffu Polisi ac Adnoddau

Angen i'r Cabinet wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad OES

Y Gyfarwyddiaeth:

Gwasanaethau Corfforaethol

Chris Moore

Awdur yr Adroddiad:

Chris Moore

Swydd:

**Cyfarwyddwr y Gwasanaethau
Corfforaethol,**

Cyngor Sir Gâr

Rhifau ffôn: 01267 224120

Cyfeiriadau E-bost:

CMoore@sirgar.gov.uk

**EXECUTIVE SUMMARY
CABINET
DATE 25/07/2022**

**ANNUAL TREASURY MANAGEMENT AND
PRUDENTIAL INDICATOR REPORT 2021-2022**

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The Council adopted the Treasury Management Policy and Strategy and the five year capital programme for 2021-2022 on the 3rd March 2021. This Annual Report lists the activities that took place in 2021-2022 under the headings of:

Investments
Borrowing
Update on KSF
Security, Liquidity and Yield
Treasury Management Prudential Indicators
Prudential Indicators
Leasing
Rescheduling

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **C Moore**

Director

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

Finance

The authority's investments during the year returned an average rate of 0.09%, exceeding the benchmark rates.

No new PWLB borrowing took place during the year. Long term debt outstanding at the year-end amounted to £401m.

The Authority did not breach any of its Prudential Indicators during the year.

The Administrators confirmed that the dividend received on 19th August 2021 was the final dividend, hence the sum of £3.48m principal and £213k interest was the final total received. This equates to 87.03% of the claim submitted.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: C Moore

Director

1. Scrutiny Committee

For information to Policy and Resources Scrutiny Committee on the 19/10/2022.

2. Local Member(s)

NA

3. Community / Town Council

NA

4. Relevant Partners

NA

5. Staff Side Representatives and other Organisations

NA

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
THERE ARE NONE**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
CIPFA Treasury Management in the Public Services - Code of Practice Revised 2017		County Hall, Carmarthen

CABINET

DATE: 25TH JULY 2022

ANNUAL TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR REPORT 2021-22

1. Introduction

The Treasury Management Policy and Strategy for 2021-22 was approved by Council on 3rd March 2021. Section B 1.1(2) stated that a year end annual report would be produced.

This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code) and outlines the Treasury Management activities in 2021-22 financial year.

2. Investments

One of the primary activities of the Treasury Management operation is the investment of surplus cash for which the Authority is responsible. As well as the Authority's own cash the County Council invests School Funds, Trust Funds and other Funds, with any interest derived from these investments being passed over to the relevant Fund.

All surplus money is invested daily with the approved counterparties either via brokers on the Money Markets or direct. The security of the investments is the main priority, appropriate liquidity should be maintained and returns on the investments a final consideration. It continues to be difficult to invest these funds as the market continues to be insecure and as a consequence appropriate counterparties are limited.

For 2021-22 investments to individual counterparties were limited to:

	Maximum to Lend £m
Upper Limit Any one British Bank and Building Society with a credit rating of at least F1, P-1 or A-1 short term or AA-, Aa3 or AA- long term	10
Middle Limit Any one British Bank and Building Society with a credit rating of at least F1, P-1 or A-1 short term	7
UK Banks Part Nationalised Included as investment counterparties, as long as they continue to have appropriate UK Government support	7
Any one Local Authority	5
Any one AAA Rated Money Market Fund	5
Debt Management Office*	100
	Tudalen 91

* The DMADF (DMO) limit was increased in April 2021 to £100m from £70m by the Director of Corporate Services (under Emergency powers) following approval by the Cabinet Member for Resources and the Chief Executive.

The total investments at 1st April 2021 and 31st March 2022 are shown in the following table:

Investments	01.04.21				31.03.22			
	Call and notice	Fixed Term	Total		Call and notice	Fixed Term	Total	
	£m	£m	£m	%	£m	£m	£m	%
Banks and 100% Wholly Owned Subsidiaries	34.50	7.53	42.03	36	39.50	0.00	39.50	25
Building Societies	0.00	0.00	0.00	0	0.00	7.00	7.00	4
Money Market Funds	25.00	0.00	25.00	22	25.00	0.00	25.00	15
DMADF (DMO)	0.00	36.50	36.50	31	0.00	57.00	57.00	36
Local Authorities	0.00	13.00	13.00	11	0.00	32.00	32.00	20
TOTAL	59.50	57.03	116.53	100	64.50	96.00	160.50	100

The total investment figure of £160.50m at 31st March 2022 includes £34.83m Swansea Bay City Deal.

An analysis of the daily cash schedules indicates that the minimum balance lent over the twelve month period was £116.53m and the maximum balance lent was £193.02m. The average balance for the year was £153.10m.

The total investments made by the Council and repaid to the Council (the turnover) amounted to £1,475.03m. This averaged approximately £28.29m per week or £4.04m per day. A summary of the turnover is shown below:

	£m
Total Investments 1st April 2021	116.53
Investments made during the year	759.50
Sub Total	876.03
Investments Repaid during the year	(715.53)
Total Investments 31st March 2022	160.50

The main aim of the Treasury Management Strategy is to manage the cash flows of the Council and the risks associated with this activity. Lending on the money market secures an optimum rate of return, allows for diversification of investments and consequently reduction of risk, which is of paramount importance in today's financial markets.

The benchmark return for the money market was the "7 day LIBID rate" up to 31st December 2021 and the SONIA rate from 1st January 2022 to 31st March 2022. For 2021-22 the Council has compared its performance against these rates. The average rate was 0.04% whereas the actual rate the Council earned was 0.09%, an out performance of 0.05%.

This outperformance can be quantified as £71k additional interest earned compared to the average rate.

The gross interest earned on investments for 2021-22 amounted to £0.142m, which was more than the estimated figure of £0.100m. The Bank of England Official rate was increased from 0.25% to 0.50% on 3rd February 2022, and a further increase was made during the year on the 17th March 2022 to 0.75%.

The income from investments is used by the Authority to reduce the net overall costs to the Council taxpayer.

3. Update on the investments with Kaupthing Singer & Friedlander (KSF)

The latest position with the Council's investments with KSF was reported in the Treasury Management and Prudential Indicator Reports to Executive Board during the year.

The Administrators confirmed that the dividend received on 19th August 2021 was the final dividend, hence the sum of £3.48m principal and £213k interest was the final total received. This equates to 87.03% of the claim submitted.

4. Security, Liquidity and Yield (SLY)

Within the Treasury Management Strategy Statement for 2021-22, the Council's investment priorities are:

- Security of Capital
- Liquidity and
- Yield

The Council aims to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate it is still considered appropriate to keep investments short term to cover cash flow requirements.

Attached at Appendix 1 is a list of the individual investments held as at the 31st March 2022 together with their credit ratings, historic risk of default and the risk weighting attached to each investment.

5. Borrowing

As Members are aware the Authority has a capital investment programme. For 2021-22 actual capital expenditure was £82.91m. This was financed from:

	£m
Borrowing	6.36
Grants and Contributions	63.13
Usable Capital Receipts Applied	1.39
Revenue and Reserves	12.03
Total	82.91

Under the Treasury Management Strategy it was resolved:

- To borrow to meet the funding requirements of the Authority, after allowing for capital grants, capital receipts and capital contributions, and to stay within the Prudential Indicators to ensure affordability, prudence and sustainability.
- To borrow when interest rates are at their most advantageous, after considering cash flow requirements.

The following loans were borrowed during 2021-22 to fund the capital programme:

Loan Reference	Amount (£m)	Interest Rate	Start Date	Period	Maturity Date
Salix	0.36	0.00%	16th April 2021	8yrs	01/04/2029
TCL	2.00	0.00%	7th February 2022	35yrs	31/03/2037
Total	2.36				

(TCL – Town Centre Loans)

The total loans outstanding at 1st April 2021 and 31st March 2022 were:

Loans	Balance at 01.04.21 £m	Balance at 31.03.22 £m	Net Increase/ (Net Decrease) £m
Public Works Loan Board (PWLB)	403.38	387.61	(15.77)
Market Loan	3.00	3.00	0.00
Salix, Invest-to-Save, HILS & TCL	7.46	10.13	2.67
Total	413.84	400.74	(13.10)

The total external interest paid in 2021-22 amounted to £16.68m, which compares favourably with the budget of £19.30m. The savings have arisen due to under borrowing on the capital programme and borrowing at lower than anticipated interest rates.

6. Treasury Management Prudential Indicators

Under the requirements of the Prudential Code of Practice for Capital Finance in Local Authorities, the Council are required to set a number of treasury management prudential indicators for the year 2021-22. The indicators set and the performance against those indicators is shown below:

6.1 The estimated and actual interest exposure limits as at 31st March 2022 were:

	Estimate 31.03.22			Actual 31.03.22		
	£m			£m		
	Fixed Interest Rate	Variable Interest Rate	Total	Fixed Interest Rate	Variable Interest Rate	Total
Borrowed	460.00	3.00	463.00	397.74	3.00	400.74
Invested	(20.00)	(30.00)	(50.00)	(96.00)	(64.50)	(160.50)
Net	440.00	(27.00)	413.00	301.74	(61.50)	240.24
Proportion of Total Net Borrowing	107%	(7%)	100%	125%	(25%)	100%
Limit	125%	5%		125%	5%	

6.2 Maximum principal sums invested > 365 days

	2021-2022 Limit £m	2021-2022 Actual £m
Maximum principal sums invested > 365 days	10	NIL

6.3 Interest rate exposure limits

	2021-22 Limit £m	2021-22 Actual £m
Limits on fixed interest rates based on net debt	516.00	301.74
Limits on variable interest rates based on net debt	52.00	(61.50)

6.4 The upper and lower limits set for the maturity structure of borrowing along with the actual maturity structure as at 31st March 2022.

	Estimated Upper Limit 2021-2022 %	Estimated Lower Limit 2021-2022 %	Actual 31.03.22 %
Under 12 months	15	0	2.79
12 months to 2 years	15	0	1.82
2 years to 5 years	50	0	6.95
5 years to 10 years	50	0	9.14
10 years to 20 years	50	0	21.37
20 years to 30 years	50	0	20.84
30 years to 40 years	50	0	23.13
40 years and above	50	0	13.96
Total			100.00

Details of the above maturity structure are shown below:

Loan Maturities	PWLB Debt £m	Average Interest Rate %	Market Loans/ Invest to Save/Salix/ HILS/TCL £m	Average Interest Rate %	Total Debt Outstanding £m
Before 1st April 2023	11.00	5.97	0.17	0	11.17
1st April 2023 to 31st March 2024	7.00	5.25	0.29	0	7.29
1st April 2024 to 31st March 2027	26.98	4.65	0.86	0	27.84
1st April 2027 to 31st March 2032	32.82	4.12	3.80	0	36.62
1st April 2032 to 31st March 2042	80.60	4.31	5.02	0	85.62
1st April 2042 to 31st March 2052	83.50	4.10	0	0	83.50
1st April 2052 to 31st March 2062	89.70	4.96	3.00	4.72	92.70
After March 2062	56.00	2.34	0	0	56.00
Total as at 31.03.22	387.60		13.14		400.74

7. Prudential Indicators

7.1 Affordability

7.1.1 Actual and estimated ratio of financing costs to net revenue stream.

Ratio of Financing Costs to Net Revenue Stream		
	2021-2022 Estimate %	2021-2022 Actual %
Non-HRA	4.50	4.66
HRA	32.71	31.79

The indicator shows the proportion of income taken up by capital financing costs.

7.2 Prudence

7.2.1 The Capital Financing Requirement (CFR).

	31.03.2022 Estimate £m	31.03.2022 Actual £m
Non-HRA	284	264
HRA	182	159
HRAS	70	70
Total	536	493

The Capital Financing Requirement reflects the underlying need to borrow for capital purposes.

7.2.2 Gross Borrowing against the Capital Finance Requirement indicator.

To ensure that borrowing levels are prudent over the medium term the Council's external borrowing must only be for a capital purpose. Gross borrowing must not exceed the CFR for 2021-22 plus the expected changes to the CFR over 2022-23 and 2023-24 but can in the short term due to cash flows. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

£m	2021-2022 Estimate	2021-2022 Actual
Debt at 1 st April 2021	433	414
Expected Change in Debt	46	(13)
Gross debt at 31st March 2022	479	401
CFR	536	493
Under / (Over) borrowing	57	92

The Section 151 Officer reports that the authority had no difficulty meeting this requirement in 2021-22.

7.2.3 The Authorised Limit and Operational Boundary.

The Authorised Limit is the “Affordable Borrowing Limit” required by Section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2021-22 the Council has maintained gross borrowing within its Authorised Limit.

The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached.

The actual financing costs as a proportion of net revenue stream identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2021-2022 £m
Authorised Limit	589.00
Gross borrowing	400.74
Operational Boundary	517.00
Average gross borrowing position	410.58
Financing costs as a proportion of net revenue stream	7.43%

8. Leasing

No finance leases were negotiated during the year.

9. Rescheduling

No rescheduling was undertaken during the year.

10. Conclusion

This report demonstrates compliance with the reporting requirements of the CIPFA Treasury Management Code of Practice.

11. Recommendations

It is recommended that this report be received by Cabinet.

Investment Summary as at 31st March 2022

Carmarthenshire County Council

Totals			
Total	£160,500,000		
Calls & MMFs	£57,500,000	36%	
Fixed Deposits	£103,000,000	64%	
Specified	£160,500,000	100%	

Weighted Average			
Yield			0.45%
Maturity (Days)			
Total Portfolio	Total Portfolio		76.88
Long Term			
Short Term			
AAA	-		1.00
AA	F1		112.60
A	F1		57.89
BBB	F2		0.00
CCC	C		0.00

Risk Factors			
< 1 year	£10,464		0.007%
1 - 2 years	£0		0.000%
2 - 3 years	£0		0.000%
3 - 4 years	£0		0.000%
4 - 5 years	£0		0.000%
Total Portfolio	£10,464		0.007%

Maturity Structure			
< 1 Week	£63,500,000		40%
< 1 Month	£5,000,000		3%
2 - 3 Months	£35,000,000		22%
3 - 6 Months	£45,000,000		28%
6 - 9 Months	£7,000,000		4%
9 - 12 Months	£5,000,000		3%
12 Months+	£0		0%
Total	£160,500,000		100%

SLY Model

Carmarthenshire County Council

31/03/2022

Whilst Sector makes every effort to ensure that all the information it provides is accurate and complete, it does not guarantee the correctness or the due receipt of such information and will not be held responsible for any errors therein or omissions arising therefrom. All information supplied by Sector should only be used as a factor to assist in the making of a business decision and should not be used as a sole basis for any decision. The Client should not regard the advice or information as a substitute for the exercise by the Client of its own judgement.

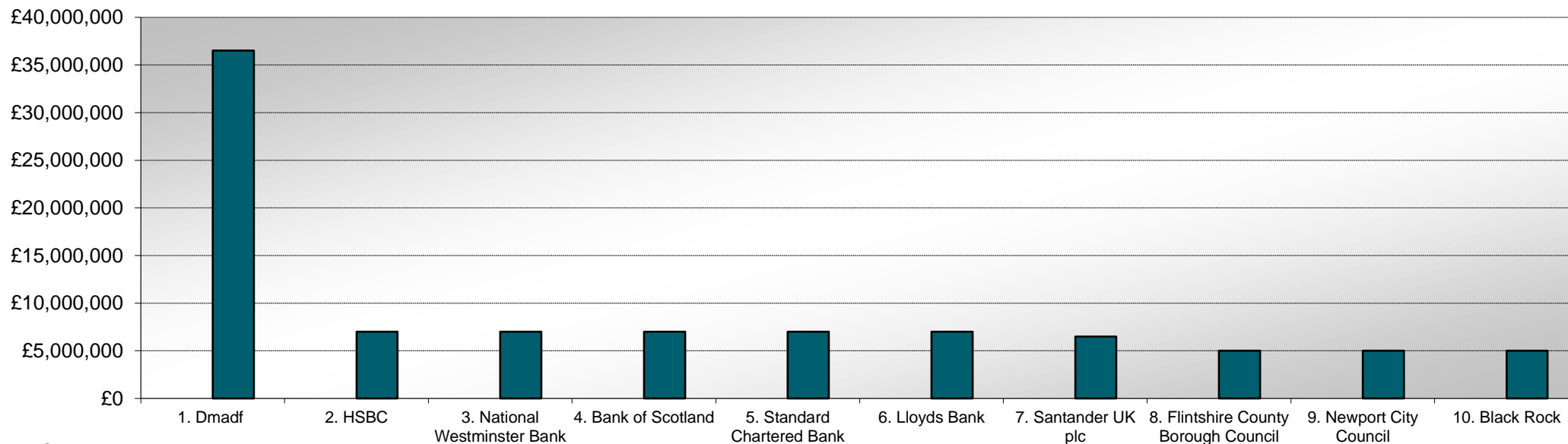
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Mae'r dudalen hon yn wag yn fwiadol

Top 10 Counterparty Holdings

Carmarthenshire County Council

Counterparty	Principal	% of Total Holding	WAM (Days)	WAYield	WADefault
1. Dmadf	£36,500,000	32.30%	25	0.00%	0.001%
2. HSBC	£7,000,000	6.19%	1	0.03%	0.000%
3. National Westminster Bank	£7,000,000	6.19%	183	0.11%	0.047%
4. Bank of Scotland	£7,000,000	6.19%	1	0.01%	0.000%
5. Standard Chartered Bank	£7,000,000	6.19%	1	0.10%	0.000%
6. Lloyds Bank	£7,000,000	6.19%	1	0.10%	0.000%
7. Santander UK plc	£6,500,000	5.75%	1	0.58%	0.000%
8. Flintshire County Borough Council	£5,000,000	4.42%	54	0.03%	0.002%
9. Newport City Council	£5,000,000	4.42%	19	0.05%	0.001%
10. Black Rock	£5,000,000	4.42%	1	0.01%	0.000%



Mae'r dudalen hon yn wag yn fwiadol

Y CABINET
25^{AIN} GORFFENAF 2022

Adroddiad Monitro Cyllideb Refeniw y Cyngor

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Sicrhau bod y Cabinet yn derbyn yr adroddiad Monitro Cyllideb am 2021/22.

Y Rhesymau:

I ddatgan i'r Cabinet sefyllfa y gyllideb ar ddiwedd y flwyddyn 2021/22.

Ymgynghorwyd â'r pwyllgor craffu perthnasol: AMHERTHNASOL

Angen i'r Cabinet wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cyng. Alun Lenny

Y Gyfarwyddiaeth:
Gwasanaethau Corfforaethol

Enw Cyfarwyddwr y
Gwasanaeth:
Chris Moore

Awdur yr Adroddiad:
Randal Hemingway

Swyddi:

Cyfarwyddwr y
Gwasanaethau Corfforaethol

Pennaeth y Gwasanaethau
Ariannol

Rhif ffôn: 01267 224886
Cyfeiriadau E-bost:

CMoore@sirgar.gov.uk

Rhemingway@sirgar.gov.uk

EXECUTIVE SUMMARY

Cabinet

25th July 2022

The revenue budget monitoring reports for the end of financial year 2021/22 are attached:

COUNCIL FUND REVENUE ACCOUNT (Appendix A)

The final outturn figures indicate an underspend for the year at departmental level of £5,345k (including the effect of overbudgeted pay award for April 2021). After taking account of capital charges and the movement in Earmarked and Departmental reserves the net position for the Authority is a £1,433k underspend.

At a high level this is due to a combination of:

- additional COVID19 related costs and lost income being largely refunded under the Welsh Government hardship scheme
- a number of additional grant funding streams being received from WG during – and particularly towards the end – of the financial year
- staffing shortages in some areas of council services, leading to an underspend situation which may be undesirable
- some services paused or impacted by lockdown measures and social distancing to differing levels during the financial year, leading to a reduction in expenditure
- Utilisation of some capital financing underspends, due to some significant pressure points on in-year capital project budgets, which was approved as part of a separate report.

Chief Executive's Department

The Chief Executive Department has underspent by £850k for the year. There are net underspends on Commercial properties, Industrial Premises, Member pay and travelling, and staffing savings from vacant posts across the department, offset by overspends as a result of a reduction in income from livestock markets and provision markets.

Operational budgets

The Chief Executive's section has an underspend of £172k, primarily due to vacant posts and an underspend on supplies and services.

There is a £77k net underspend in the People Management section. This consists of £41k in relation to a reduction in supplies and services costs, along with a £41k underspend due to fewer DBS checks being undertaken than budgeted for, along with an underspend within the Social Care Workforce Development Programme of £102k due to courses not going ahead late in the year. These underspends are offset by a £20k overspend in Employee Wellbeing, due to a shortfall in external SLA income and an unachieved training efficiency within Organisational Development of £53k, and a £28k overspend on payroll due to costs associated with migrating the payroll system to the cloud. There is also a £6k net overspend on various salary related costs along with other small overspends.

The ICT & Corporate Policy section are reporting a £45k underspend largely due to part year vacant posts within the division, pending a team review which has now been completed.

Admin and Law are showing an underspend of £195k. Members pay and travelling are underspent by £119k, and there is an additional £27k of income for work undertaken on behalf of the HRA. There is also additional income for DSU from external work of £28k along with a £49k saving on staff vacancies. This is offset by a small net overspend on supplies and services largely due to work undertaken to prepare for hybrid meetings.

The Marketing and Media section have a £235k net underspend, made up of an overspend of £189k within Marketing and Media on salary costs, pending a staffing review within the whole division (2019/20 saving proposal), and also a loss of income streams from external partners such as ERW. This is offset by an underspend on staffing costs in the Customer Services Centres, Translation Unit and Yr Hwb. These will all form part of the divisional staffing review. There is also an underspend on Marketing & Tourism Development following receipt of grant money from WG to boost the visitor economy.

Statutory Services are reporting an underspend of £199k. This is made up of a saving on vacant posts of £45k pending a team review which has now been completed, along with a £119k underspend on Registrars largely due to income generated above the budgeted figure.

Coroners are underspent by £8k as a result of the appointment of medical examiners by the NHS, resulting in less cases being referred to the coroner. Registration of Electors received a one off contribution towards canvassing costs from the electoral commission resulting in a £27k underspend for the year.

The Regeneration division is reporting a £73k overspend for the year. This is made up of an overspend of £265k due to a loss of income on Livestock markets, provision markets and farms, largely due to an overall reduction in occupancy levels, along with a rent free period at Carmarthen Mart.

This is offset by high levels of income due to continued high occupancy rates within industrial units, despite the pandemic of £90k. Commercial Properties are anticipating a £59k underspend in the current year despite a general loss of income across the portfolio as re-letting becomes more difficult - this is due to a significant one-off benefit of a retrospective rent review for one property in line with the lease terms. There is also an additional saving of £26k on staffing costs due to vacant posts, a £25k saving on City Deal costs along with other small overspends.

Department for Communities

The Department for Communities is underspent by £1,963k for the year. There are significant variances in social care services though these are largely resulting from reduced costs where service provision is reduced due to COVID19 restrictions, additional one off grant funding provided during the year combined with ongoing staff vacancies where it has been difficult to recruit. Social care teams have prioritised the safe delivery of key services, meaning that the department has been unable to progress some of the planned savings' proposals.

Older People's budgets have an underspend of £1,341k. There are significant underspends in Residential Beds due to reduced associated costs as a result of fewer occupied beds, as well as reduced provision of day services due to COVID19 restrictions. Where there have been offsetting additional costs, these have been largely covered by the Hardship scheme.

Physical Disabilities services are underspent by £161k. The budget variances across the range of services are due to alternative care provision in response to residential respite and community services restrictions.

In Learning Disability services, there is an underspend of £51k. Budgetary pressure remains on Residential and Group Homes / Supported Living as the savings target are difficult to deliver due to COVID19 restrictions. Also, an increased demand for Direct Payments and a lack of availability of alternative provision due to COVID restrictions has added further pressure. These pressures have been offset with savings due to the reduction of Day Services and Community Support.

The overspend in Mental Health of £291k is due to increased demand with the main budget pressure in Residential Beds and Group Homes / Supported Living.

Support Services are underspent by £1,000k largely due to additional income in respect of departmental Covid response.

The final position for the Leisure & Culture Services Division was a on target. There continued to be a material reduction in income across a number of Services during the year due to the ongoing restrictions, however the recovery of lost income was claimed from the Welsh Government until the 31st March 2022.

Council Funded Housing and Public Protection Services is reporting a £301k overspend primarily on the underachievement of income in Trading Standards due to delays in the courts system (£158k) and additional cost of temporary accommodation (£133k).

Corporate Services

The Corporate Services Department is reporting a £1,164k underspend for the year.

There is a £364k underspend on pre LGR pension costs along with a £143k underspend on Rates Relief due to low take up of the scheme. Budget reductions have been incorporated into future years in the MTFP.

There are also underspends on salaries due to vacancies across the department, and staff not yet at the top of their scale, along with a reduction in bank charges and audit fees.

These underspends are offset by an overspend of £223k on Council Tax Reduction Scheme due to increased demand. This is a demand led budget, for which WG funding has not increased for many years despite WG's increased expectations in terms of Council's tax raising

abilities. Rent Allowances are overspent by £112k .This service is demand led and is subject to fluctuation year on year.

Department for Education and Children

The Department for Education and Children had an underspend of £858k for the year.

This is largely a result of further WG grant funding across many service areas, some services were still providing limited provision due to covid restrictions and delays in recruitment.

A number of services faced increasing demand with in-year underspends in other service areas, mainly from staff vacancies, and additional grant funding financially supporting the identified pressures – special education needs £200k, Primary school free breakfast provision 120k, commissioning & social work including legal costs £216k and fostering services £136k are the most significant pressures.

Schools Delegated Budgets

Schools working budgets returned a net surplus position in year of £7.9m, largely driven by one-off WG grants received in year. Some of the forecasted surplus staffing costs due to redundancies not progressing were reduced by schools utilising the Accelerated Learning Programme grant for these teachers (on a temporary basis).

This results in a net surplus on school reserves of £15.2m having brought forward a £7.3m net surplus as at April 2021.

The additional funding received in year was directed towards meeting learning recovery costs. As such it is one-off, temporary in nature and will not resolve pre-existing issues which need to be addressed either in individual schools' budgets or whole system rationalisation.

Members should note that budgets do not include any significant additional COVID19 safety measures incurred for the safe reopening of schools – such costs have been recorded centrally within departmental budgets.

Environment

The Environment department is reporting an underspend of £510k for the financial year, largely due to increased income from internal recharges reflecting work completed during the year by the Property division.

The Business Support division is £112k underspent, the majority of which is due to vacant posts during the year, most of which have now been filled.

The Waste and Environmental Services division is reporting a £165k overspend, mainly due to the additional treatment costs of £726k for the waste service due to alternative processing arrangements as a result of the loss of the materials recycling facility at Nantycaws. This pressure is netted off by a £129k surplus on Green Waste collections due to an increased customer base, a £305k saving on the Grounds Maintenance Service due to a reduced contractor spend and vacancies during the year, a £50k saving in the Waste & Environmental Services Unit, a £28k underspend on the Cleansing service awaiting a service review, and a £48k underspend on Public Conveniences due to a change in legislation for standalone public conveniences, which are now eligible for a 100% business rates relief. Further savings include £24k in Environment Enforcement due to vacancies and £16k in Emergency Planning. These savings also offset the underachievement of income against budget on the Sustainable

Drainage Approval service which is £46k overspent.

Highways and Transportation are reporting a £217k overspend for the year. The main variance is the £457k overspend on school transport due to additional operating days plus supply chain tender prices are increasing. There is a £16k pressure on departmental pooled vehicles due to underutilisation during the pandemic. This pressure is offset by a £138k underspend in Road safety as a result of a vacant post, a reduction in an employee's contracted working hours and also Project Management fees recovered from grants, £97k net increase in income within Traffic management as a result of an increase in Traffic Regulation orders, and a £23k saving from vacant posts within school crossing patrols due to recruitment difficulties in attracting applicants.

The Property Division is reporting a £451k underspend, mainly due to increased income from Property Maintenance reflecting additional work completed during the year including significant unexpected projects.

The Place and Sustainability Division is showing a £328k underspend, largely due to vacant posts within the team during the year, which included the Head of Service post that has now been filled and savings on consultants' fees due to a covid-related delay in the LDP process.

HOUSING REVENUE ACCOUNT (Appendix B)

The HRA is reporting an underspend of £8,907k for 2021/22.

Repairs and Maintenance is forecast to be overspent by £60k. Underspends on Minor Works £1,311k due to capacity and procurement issues and an overspend on Voids/Responsive/Other £1,371k mainly due to costs associated with catch up on repairs delayed by COVID19.

Supervision & Management and Support is projecting an underspend of -£167k mainly due to staff vacancies and pay settlement -£553k, transport costs -£35k due to reduced visits, reduced recharges linked to vacant posts -£243k, offset by additional premises/supplies/other £522k (primarily insurance related) and additional legal costs £142k.

Provision for bad debt not utilised due to limited write-offs and age of existing debt reduces requirement -£543k

Capital financing charges will be -£642k less than budgeted due to reduced borrowing in 2020/21 reducing the MRP requirement as result of 2020/21 end of year position, forecast reduced spend on 2021/22 capital programme and additional grants secured in 2021/22.

The impact of additional grant funding provided during the year will result in no borrowing in year and a reduction in the revenue contribution required by -£7.709m to fund our capital programme.

Income (inclusive of rents) will be below target by approximately £105k. This is made up predominantly of less than budgeted rental/service charge income of £139k, less insurance received £179k and small variation in interest receivable £4k. We will receive more grant than anticipated of -£118k primarily from Welsh Government and other income such as Dwr Cymru - £100k.

Lists of the main variances are attached to this report.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Chris Moore**

Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

3. Finance

Council Fund

The final outturn figures indicate an underspend for the year at departmental level of £5,345k. After taking account of the underspend on capital charges and the movement in Earmarked and Departmental reserves, the net position for the Authority is an underspend of £1,433k

HRA

The HRA is reporting an underspend of £8,907k for 2021/22.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **Chris Moore**

Director of Corporate Services

1. Scrutiny Committee – Not applicable
2. Local Member(s) – Not applicable
3. Community / Town Council – Not applicable
4. Relevant Partners – Not applicable
5. Staff Side Representatives and other Organisations – Not applicable

CABINET MEMBER PORTFOLIO HOLDER(S) AWARE/CONSULTED

NO

Include any observations here

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
2021/22 Budget		Corporate Services Department, County Hall, Carmarthen

REPORT OF THE DIRECTOR OF CORPORATE SERVICES

PRE-CABINET 18th JULY 2022

COUNCIL'S BUDGET MONITORING REPORT 2021/22

Director and Designation	Author & Designation	Telephone No	Directorate
C Moore, Director of Corporate Services	R Hemingway, Head of Financial Services	01267 224886	Corporate Services

Table 1

Actual for year to 31st March 2022

Department	Working Budget				Actual				EOY Actual Variance for Year	Feb 2022 Forecasted Variance for Year
	Controllable Expenditure	Controllable Income	Net Non Controllable	Total Net	Controllable Expenditure	Controllable Income	Net Non Controllable	Total Net		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Chief Executive	34,981	-14,979	-5,718	14,284	36,139	-16,986	-5,718	13,435	-850	-1,060
Communities	161,186	-65,800	23,701	119,086	189,530	-96,109	23,701	117,123	-1,963	-2,128
Corporate Services	80,009	-45,883	-2,732	31,393	77,872	-44,911	-2,732	30,229	-1,164	-1,433
Education & Children (incl. Schools)	197,605	-41,885	29,964	185,685	226,824	-71,961	29,964	184,827	-858	-1,469
Environment	127,489	-82,374	21,254	66,369	135,097	-90,492	21,254	65,859	-510	-276
Departmental Expenditure	601,270	-250,920	66,468	416,817	665,462	-320,460	66,468	411,472	-5,345	-6,367
Transfers to/from Corporate Reserves (Pay Award)*				0				0	0	1,537
Capital Charges/Interest/Corporate Pension reserve adjustment & accumulated leave				-2,852				-3,994	-1,142	-1,400
				-38,668				-38,668	0	0
Levies and Contributions:										
Brecon Beacons National Park				152				152	0	0
Mid & West Wales Fire & Rescue Authority				10,737				10,737	0	0
Net Expenditure				386,185				379,698	-6,487	-6,230
Transfer to / from General Balances				0				1,433	1,433	0
Transfer to / from Earmarked Reserves				0				2,382	2,382	0
Transfers to/from Departmental Reserves										
- Chief Executive				0				425	425	467
- Communities				0				982	982	884
- Corporate Services				0				582	582	684
- Education & Children (incl Schools)				0				429	429	385
- Environment				0				255	255	-9
Net Budget				386,185				386,185	-0	-3,819

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* Pay Award adjustments reflected in departments' actuals as at 31st March 2022

**Chief Executive Department
Budget Monitoring - Actual 2021/22**

PRE-CABINET 18th JULY 2022

Division	Working Budget				Actual				EOY Actual Variance for Year £'000	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000		
Chief Executive	840	0	-690	151	674	-6	-690	-22	-172	-182
People Management	4,473	-1,558	-1,695	1,220	5,360	-2,522	-1,695	1,143	-77	-54
ICT & Corporate Policy	5,927	-940	-4,012	975	7,003	-2,060	-4,012	930	-45	-136
Admin and Law	4,477	-849	1,321	4,949	4,332	-900	1,321	4,753	-195	-214
Marketing & Media	2,739	-696	-974	1,069	2,459	-651	-974	834	-235	-255
Statutory Services	1,309	-337	436	1,408	1,817	-1,045	436	1,209	-199	-181
Regeneration	15,216	-10,598	-105	4,513	14,494	-9,802	-105	4,586	73	-40
GRAND TOTAL	34,981	-14,979	-5,718	14,284	36,139	-16,986	-5,718	13,435	-850	-1,060

Chief Executive Department - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Chief Executive							
Chief Executive-Chief Officer	235	0	206	0	-29	Savings on supplies & services	-31
Chief Executive Business Support Unit	605	0	468	-6	-143	3 vacant posts not filled this financial year & a staff member on maternity leave, £30k savings on supplies & services	-151
People Management							
SCWDP	707	-417	649	-461	-102	Underspend on CCC funded element of the cost centre due to cancellation of training courses late in the financial year. This will not affect drawing down the full grant awarded.	-53
Business & Projects Support	260	0	219	0	-41	Savings on supplies & services	-36
Payroll	630	-357	669	-368	28	Additional software costs relating to migration of system to the cloud	-6
People Services – HR	1,065	-268	1,066	-298	-30	£98k underspend due to vacant posts during the year. This is offset by an unfunded post £22k and a £46k efficiency saving yet to be allocated.	-24
Employee Well-being	769	-350	761	-322	20	Shortfall on budgeted external SLA income. Referrals have reduced from pre covid levels	33
Organisational Development	487	-39	511	-10	53	Training efficiency target not currently being met.	39
Employee Services – HR/Payroll Support	133	0	158	0	25	£17k graduate not funded, 2 x employees regraded with no funding £8k.	24
DBS Checks	124	0	91	-8	-41	Review of DBS checks process & budget to be undertaken	-44
Other variances					11		13
ICT & Corporate Policy							
Welsh Language	120	-11	100	-11	-19	£7k due to period of unpaid leave taken. £12k underspend on Supplies and Services	-20
Chief Executive-Policy	682	-31	660	-28	-18	Vacant posts during the year whilst restructure was completed. New structure now in place.	-109
Other variances					-7		-7

Chief Executive Department - Budget Monitoring - Actual 2021/22
Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Admin and Law							
Democratic Services	1,886	-276	1,819	-318	-109	Underspend on Members pay £75k & travelling costs £44k, along with an additional £27k of income for work undertaken for the HRA. £37k overspend on supplies and services due to essential upgrades to accommodate hybrid meetings	-112
Democratic Services - Support	502	0	456	-31	-77	Additional income for work undertaken for the Wales pension partnership (£21k) & PCC (£7k); Posts vacant for part of year, which have now been filled. There are also savings on supplies & services.	-80
Land Charges	136	-305	91	-251	10	Less demand for service during the year	6
Central Mailing	45	0	27	-6	-23	Saving on franking machine leasing costs.	-22
Other variances					4		-6
Marketing & Media							
Marketing and Media	370	-167	457	-65	189	Overspend on salaries pending divisional realignment. Loss of income streams from external partners (e.g. ERW £80k). Looking at alternative potential partnership arrangements	187
Translation	563	-52	446	-63	-128	Vacant post pending divisional realignment & number of staff members working reduced hours, savings on supplies & services	-122
Customer Services Centres	1,133	-353	909	-350	-221	12 posts vacant during the year, difficulty in filling posts.	-225
Yr Hwb, Rhydaman a Llanelli	194	-94	85	-53	-68	3 vacant posts pending divisional realignment offset partly by less income, due to decreased demand for desk rental space	-69
Other variances					-7		-26
Statutory Services							
Registration Of Electors	170	-2	228	-88	-27	One off contribution from Electoral commission received for canvassing print and mail costs.	0
Registrars	504	-335	528	-478	-119	Additional income being generated compared to budget. Vacant post in year due to be filled imminently.	-116
Electoral Services - Staff	254	0	209	0	-45	Vacant post during year. Due to be advertised imminently	-45
Other variances					-8		-19

Chief Executive Department - Budget Monitoring - Actual 2021/22
Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Regeneration & Property							
City Deal	25	0	0	0	-25	Non controllable being charged as a direct cost to the SBCD Joint Committee	-0
* Pay Award adjustments reflected in departments' actuals as at 31st March 2022	49	-594	320	-924	-59	General loss of income due to properties becoming vacant & no immediate prospect of re-letting. This has been partially offset by COVID19 income claim for losses attributable to COVID19. This trend has been offset by a significant one off benefit of £270k as the result of a retrospective rent review for one property in line with the lease terms.	-157
Provision Markets	663	-660	662	-566	92	General downturn in demand for stalls & consequent reduction in achievable rents. Partially offset by COVID19 income claim from WG for losses specifically attributable to COVID19.	93
Administrative Buildings	3,759	-777	3,851	-891	-22	Part year vacant post. To be filled imminently.	-13
Industrial Premises	634	-1,482	730	-1,669	-90	Occupancy levels are still high despite the pandemic	-63
County Farms	126	-342	104	-310	11	Market forces dictate rent/ lease achievable.	29
Livestock Markets	105	-213	92	-38	161	Majority of overspend relates to Nant Y Ci. No rental income for 24 months for Nant Y Ci as per the terms of the new agreement. Additional premises maintenance costs to obtain animal health and farm assurance licences.	165
Other variances					4		-94
Grand Total					-850		-1,060

Department for Communities
Budget Monitoring - Actual 2021/22

PRE-CABINET 18th JULY 2022

Division	Working Budget				Actual				EOY Actual Variance for Year £'000	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000		
Adult Services										
Older People	64,133	-22,099	7,626	49,660	75,903	-35,210	7,626	48,319	-1,341	-2,129
Physical Disabilities	8,397	-1,875	468	6,989	8,371	-2,010	468	6,828	-161	-101
Learning Disabilities	41,859	-10,661	1,980	33,178	44,578	-13,431	1,980	33,127	-51	172
Mental Health	11,051	-4,107	560	7,505	11,249	-4,014	560	7,796	291	230
Support	6,293	-8,559	2,602	337	12,117	-15,386	2,602	-667	-1,003	-201
Homes & Safer Communities										
Public Protection	3,328	-1,248	1,194	3,274	3,547	-1,365	1,194	3,376	102	-17
Council Fund Housing	9,191	-7,996	1,220	2,414	16,036	-14,643	1,220	2,613	199	-12
Leisure & Recreation										
Leisure & Recreation	16,934	-9,255	8,050	15,730	17,729	-10,051	8,050	15,729	-1	-70
GRAND TOTAL	161,186	-65,800	23,701	119,086	189,530	-96,109	23,701	117,123	-1,964	-2,128

Department for Communities - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Adult Services							
Older People							
Older People - Commissioning	3,954	-815	3,981	-1,156	-314	Part year vacant posts	-157
Older People - Private Home Care	7,680	-2,573	12,231	-7,479	-354	Part year vacant posts	-508
Older People - Enablement	2,073	-444	1,778	-453	-304	Part year vacant posts	-311
Older People - Private Day Services	284	0	9	0	-275	Reduced provision of day services due to COVID19 restrictions	-276
Older People - Other variances					-94		-878
Physical Disabilities							
Phys Dis - Commissioning & OT Services	844	-297	660	-187	-74	Part year vacant posts	-101
Phys Dis - Private/Vol Homes	1,521	-306	1,194	-142	-163	Demand led - Reduced use of residential respite care due to COVID19	-175
Phys Dis - Aids & Equipment	898	-424	1,345	-1,014	-144	Utilisation of grant funding to realise core budget	-150
Phys Dis - Direct Payments	2,940	-589	3,196	-411	434	Demand for Direct Payments increasing as a consequence of fewer alternatives during COVID19 restrictions e.g. community support and respite	397
Phys Dis - Other variances					-214		-72
Learning Disabilities							
Learn Dis - Employment & Training	1,941	-211	1,645	-182	-266	Staff vacancies and utilisation of grant funding to realise core budget	-251
Learn Dis - Private/Vol Homes	11,916	-4,408	13,595	-5,383	704	Pressure remains on this budget as alternative provision is unavailable due to COVID19 restrictions. Due to this, Welsh Government grant funding is being applied to support this overspend. Some packages have been reduced via the Progression & Review Team although targets for achieving savings have slipped due to restrictions on face to face contact.	740
Learn Dis - Direct Payments	4,018	-558	4,825	-599	767	Direct Payments increasing due to demand	984
Learn Dis - Group Homes/Supported Living	11,635	-1,816	13,496	-2,919	758	Accommodation and Efficiency project plans for strategic longer term future accommodation options as well as current client group has experienced delays due to COVID19. The Progression & Review Team will prioritise Rightsizing in Supported Living in 2022.	578
Learn Dis - Day Services	2,603	-369	2,250	-200	-183	Loss of income & Welsh Government grant funding received, staff vacancies and client taxis not used. Reduced premises and running costs as building based provision is reduced due to social distancing regulations and alternatives provided.	-269

Department for Communities - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Learn Dis - Private Day Services	1,536	-82	308	0	-1,146	Day Services significantly reduced. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget.	-944
Learn Dis - Community Support	2,272	-160	2,460	-941	-593	Reduced level provision due to Covid restrictions	-576
Learn Dis - Other variances					-91		-90
Mental Health							
M Health - Commissioning	1,456	-82	1,263	-204	-315	Staff vacancies	-267
M Health - Private/Vol Homes	6,533	-3,294	6,452	-2,871	342	Pressure remains on this budget as alternative provision is unavailable due to Covid restrictions. Some packages have been reduced via the Progression & Review Team although targets for achieving savings have slipped due to restrictions on face to face contact.	429
M Health - Group Homes/Supported Living	1,306	-410	1,819	-512	412	Accommodation and Efficiency project plans for strategic longer term future accommodation options as well as current client group has experienced delays due to Covid. The Progression & Review Team will prioritise Rightsizing in Supported Living in 2022.	374
M Health - Direct Payments	155	-44	244	-13	121	Direct Payments increasing due to demand	117
M Health - Community Support	646	-76	501	-121	-190	Reduced level provision during parts of the year due to COVID19 restrictions	-368
M Health - Other variances					-78		-55
Support							
Holding Acc-Transport	1,495	-1,854	188	-384	162	Provision of additional services to support Hywel Dda	-247
Other Variances - Support					-1,165		46
Homes & Safer Communities							
Public Protection							
PP Management support	104	-8	87	-14	-23	Under on Travel, photocopying & postages due to COVID19	-19
PP Business Support unit	154	0	120	0	-34	Under on Travel, photocopying & postages due to COVID19	-36
Noise Control	218	0	176	-1	-43	Under on salaries	-45
Pay Award adjustments reflected in Departments' actuals as at 31st March 2022	83	-85	82	-41	43	Under achievement of income due to reduction in licensed dog breeders	34
Animal Safety	161	0	117	-5	-49	Under on salaries	-47

Department for Communities - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY	Notes	Feb 2022
	Expenditure	Income	Expenditure	Income	Actual Variance for Year		Forecasted for Year
	£'000	£'000	£'000	£'000	£'000		£'000
Licensing	356	-337	381	-315	47	Under achievement of licenses income	23
Financial Investigator	89	-410	165	-328	158	Delays in receipt from prosecutions	77
Other Variances					3		-5
Council Fund Housing							
Infection Prevention Control	0	0	2,340	-2,282	58	Commitment to fund Infection Prevention and control in 2022/23	-0
Home Improvement (Non HRA)	722	-303	645	-293	-68	£25k Staff Vacancies & supplies & services	-30
Penybryn Traveller Site	177	-130	212	-99	66	£50k committed for management/repair costs at Penybryn.	48
Temporary Accommodation	512	-110	2,032	-1,497	133	Increased spend on contracted services and supplies	57
Social Lettings Agency	813	-818	817	-801	20	Additional maintenance costs	-18
Other variances					-10		-70
Leisure & Recreation							
Millenium Coastal Park	261	-138	340	-205	12	New parking meters purchased under the Opening of the Visitor Economy grant only 50% funded	-30
Burry Port Harbour	41	-85	68	-145	-32	Accruals processed for mooring income due in relation to the 2019/20 and 2020/21 periods were understated by £17k, plus increased income in 2021/22 due to lease arrangements had not been budgeted £15k.	0
Discovery Centre	6	-88	4	-112	-27	Higher level of car parking and catering concession income achieved than budgeted	-1
Pembrey Beach Kiosk	0	-42	1	-99	-56	Higher level of kiosk sales income achieved than budgeted	-58
Pembrey Ski Slope	418	-422	503	-596	-89	Higher level of income achieved than budgeted	-36
Newcastle Emlyn Sports Centre	320	-158	295	-160	-27	Numerous small underspends on S & S headings	-3
Carmarthen Leisure Centre	1,552	-1,574	1,644	-1,688	-22	Underspends on Utility cost to budget	-6
St Clears Leisure Centre	167	-43	288	-42	122	Premises & Grounds Mtce £92k, Revenue contribution to Capital £19k, Operational Consumables £11k	93
Amman Valley Leisure Centre	961	-848	941	-853	-25	In year vacancies £-138k offset by Revenue contribution to Capital £56k, Reserve contribution £40k, Mtce of Equipment £17k	-30
Artif Facilities	293	0	339	-20	26	Operational Consumables	6
Artif health, fitness and dryside	198	-125	188	-185	-71	In year vacancies £27k, lower Match Funding requirement of £34k, higher grant from LHB than budgeted £10k	9
APA Additional Funding (E)	12	-12	186	-196	-10	Under on Operational Consumables	-0
Sport & Leisure General	768	-57	757	-58	-12	Under on Adverting / Marketing	-91
PEN RHOS 3G PITCH	16	-36	6	-60	-35	Higher level of income achieved than budgeted	-31

Department for Communities - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Llanelli Leisure Centre	1,293	-1,084	1,334	-1,143	-19	In year vacancies	-62
Outdoor Recreation - Staffing costs	212	0	337	-26	99	£82k contribution to Reserve not budgeted	8
Pembrey Country Park	865	-936	1,208	-1,340	-60	Higher level of income achieved than budgeted	89
Woodland Parks	0	0	15	0	15	Costs for emergency bridge repairs not budgeted	21
Ammanford Library	291	-14	261	-12	-29	In year vacancies	4
Community Libraries	272	-7	255	-4	-13	Numerous minor underspends	4
Libraries General	1,066	-1	1,154	-12	76	Computer costs £34k higher than budgeted, unable to fully achieve vacancy factor £41k	3
Carmarthen Museum, Abergwili.	230	-19	317	-28	78	Revenue contribution to Capital £52k, income loss due to site closure £26k	4
Parc Howard Museum	141	-78	61	-14	-17	Under on other Hired & Contracted Services	6
Museum of speed, Pendine	85	-26	91	0	32	Museum Development consultancy fees not budgeted	38
Museums General	149	0	250	-18	83	Contribution to Reserve £37k, Unable to fully achieve vacancy factor	42
Archives General	142	-3	163	-12	12	Part year effect of new Archive Assistant not budgeted	14
Arts General	15	0	0	0	-15	Vacant post being held pending restructure	-16
St Clears Craft Centre	119	-38	78	-38	-42	In year vacancies	-41
Cultural Services Management	99	0	83	0	-16	Match Funding not required £11k, numerous minor underspends £5k	42
Laugharne Boathouse	153	-114	137	-108	-10	Under on Materials for Resale	-8
Y Ffwrnes	946	-515	680	-192	58	Purchase of technical sound equipment not budgeted £75k offset by numerous minor underspends	-9
Ammanford Miners Theatre	88	-21	53	-3	-17	Staffing 10k plus numerous minor underspends	-8
Entertainment Centres General	462	-62	730	-381	-51	In year staff vacancies £39k, plus numerous minor underspends	-83
Oriel Myrddin CCC	115	0	168	0	53	Forecast contribution to Reserve for start up costs	47
Attractor - Management	0	0	23	0	23	End of year staff costs not budgeted	23
Leisure Management	437	0	427	-2	-12	In year vacant post	21
Other Variances					18		-32
Grand Total					-1,964		-2,128

**Corporate Services Department
Budget Monitoring - Actual 2021/22**

PRE-CABINET 18th JULY 2022

Division	Working Budget				Actual				EOY Actual Variance for Year £'000	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000		
Financial Services	16,537	-2,637	-2,693	11,206	18,910	-5,824	-2,693	10,393	-814	-651
Revenues & Financial Compliance	63,472	-43,246	-39	20,187	58,962	-39,086	-39	19,836	-351	-782
GRAND TOTAL	80,009	-45,883	-2,732	31,393	77,872	-44,911	-2,732	30,229	-1,164	-1,433

Corporate Services Department - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Financial Services							
Accountancy	1,788	-467	1,715	-451	-57	£43k part year net vacancies during the year. Posts have now been filled.	-81
Treasury and Pension Investment Section	263	-195	219	-212	-61	£37k part year vacancies. Posts have now been filled. £23k external SLA income from the WPP and other smaller underspends	-60
Payments	554	-77	503	-75	-49	Part year vacancies during the year. One post yet to be filled.	-65
Audit Fees	322	-93	300	-93	-22	A proportion of audit fees are chargeable directly to grants	-42
Joint Committees - Carmarthenshire	0	0	2	-63	-61	One off transitional grant received during the year	0
Miscellaneous Services	11,128	-122	13,881	-3,434	-559	£364k underspend on past year pension costs. General underspends on supplies and services.	-375
Other variances					-5		-28
Revenues & Financial Compliance							
Procurement	607	-35	506	-35	-101	Part year vacancies during the year. All posts now been recruited into.	-111
Audit	484	-19	406	-35	-94	£61k part year net vacancies. One post yet to be filled. £17k saving on supplies and services along with £16k additional income over budget from SLA income.	-98
Risk Management	151	-0	132	-0	-18	£3k salary saving due to flexi retirement. £7k saving on supplies and services. £8k one off insurance commission	-10
Business Support Unit	141	0	103	0	-38	£32k part year vacancy during the year, now been recruited into. £6k savings on supplies and services.	-38
Corporate Services Training	60	0	18	-0	-42	Low uptake of training courses during year	-48
Local Taxation	940	-763	948	-856	-84	Saving on vacant posts in the year. Two posts still currently vacant. This is offset by an increase in bank charges due to large increase in card payments.	-37
Council Tax Reduction Scheme	16,828	0	17,051	0	223	Increased demand since Covid. WG contribution received for the shortfall in 2020/21, but not replicated in 2021/22.	221
Rent Allowances	41,323	-41,540	37,206	-37,311	112	This areas is demand led and by it's nature will inevitably fluctuate as a result.	-190
Rates Relief	328	0	184	0	-143	Low take-up in 2021/22. Dependant upon demand.	-143

Corporate Services Department - Budget Monitoring - Actual 2021/22
Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY	Notes	Feb 2022
	Expenditure	Income	Expenditure	Income	Actual Variance for Year		Forecasted Variance for Year
	£'000	£'000	£'000	£'000	£'000		£'000
Housing Benefits Admin	1,671	-752	1,471	-716	-164	A number of posts have been vacant during the year, some of which are still vacant due to difficulties in recruiting staff. A large number of staff members are also currently on lower points of the salary scale but budgeted at the top of scale. This is offset by the ongoing annual reduction in admin grant received from DWP.	-329
Other variances					0		1
Grand Total					-1,164		-1,433

Department for Education & Children
Budget Monitoring - Actual 2021/22

PRE-CABINET 18th JULY 2022

Division	Working Budget				Actual				EOY Actual Variance for Year £'000	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000		
Schools Delegated Budgets	142,372	-21,363	0	121,009	159,293	-38,284	0	121,009	0	-2,148
Transfer to Reserves				0				0	0	1,656
Director & Strategic Management	1,721	0	139	1,860	1,132	-5	139	1,265	-595	-470
Education Services Division	8,476	-3,246	14,824	20,054	9,076	-3,743	14,824	20,157	103	-50
Access to Education	3,260	-100	5,709	8,869	11,089	-7,742	5,709	9,056	187	76
School Improvement	5,994	-3,885	948	3,057	6,230	-4,301	948	2,878	-180	-67
Curriculum & Wellbeing	9,624	-5,277	1,900	6,246	9,437	-5,208	1,900	6,130	-116	-379
Children's Services	26,157	-8,012	6,444	24,589	30,566	-12,679	6,444	24,332	-258	-87
TOTAL excluding schools	55,233	-20,521	29,964	64,676	67,531	-33,677	29,964	63,818	-858	-977
GRAND TOTAL	197,605	-41,885	29,964	185,685	226,824	-71,961	29,964	184,827	-858	-1,469

Department for Education & Children - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Schools Delegated Budgets							
Primary Schools	73,366	-10,813	83,128	-20,575	0		872
Secondary Schools	65,119	-10,517	71,600	-16,997	0	School balances are carried forward to 2022/23 in accordance with legislation	-3,280
Special Schools	3,887	-34	4,564	-711	0		260
Transfer to school reserves	0	0	0	0	0		1,656
Director & Strategic Management							
Director & Management Team	1,315	0	765	-5	-556	Core budget not utilised across the department due to one off grant funding being applied to already incurred expenditure £406k. Travel, supplies & services etc across dept savings identified towards 2022/23 efficiency requirement £150k	-457
Business Support	406	0	367	0	-39	Part year vacant post, delay in recruiting secondment cover and grant income offsetting existing costs	-13
Education Services Division							
School Redundancy & EVR	2,065	0	2,010	0	-55	Departmental support for staff restructures within schools. Schools are advised, supported and challenged on staffing structures proposals.	18
Early Years Non-Maintained Provision	1,404	-1,054	1,387	-1,099	-61	Grant income facilitating the release of core budget for other service in year pressures	-112
Special Educational Needs	3,974	-2,193	4,649	-2,667	200	Staffing costs for additional classes in attached units & new statements approved in year £350k, partially funded by other services having part year vacancies & utilising core budget where grant funding has been applied -£118k	55
Other variances					19		-12
Access to Education							
School Modernisation	307	0	430	-38	85	£64k closed schools, £15k contribution to school project and other 1 off costs incurred in relation to MEP £6k	48
School Meals & Primary Free Breakfast Services	2,648	-100	10,130	-7,462	120	Primary school free breakfasts voluntary income shortfall (£85k) & increased food costs (£35k) due to grab and go bags instead of cereal etc.	47
Other variances					-18		-18
School Improvement							
School Effectiveness Support Services	543	-15	500	-15	-43	2 part year vacant posts	-26
National Model for School Improvement	912	0	825	-57	-145	Additional one off grant funding releasing core budget -£54k. EIG contribution less than expected, with core contribution for employee recharges and grant income regarding recharged totalling -£92k underspend	-41

Department for Education & Children - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Other variances					8		0
Curriculum and Wellbeing							
Behaviour Management	306	-122	405	-171	50	Overspent on training of staff and no income from SLA to schools, balances out with underspend in EOTAS.	-13
Welsh Language Support	682	-248	649	-275	-60	Delay in set up of centres and maximising in year grant opportunities	-151
Education Other Than At School (EOTAS)	2,386	-150	2,429	-310	-117	Part year vacant posts within various teams.	-114
Youth Offending & Prevention Service	1,942	-1,164	2,061	-1,326	-43	Additional WG Grant (Support for Young People in Wales) offsetting core budget as with reduced services in some areas & part year vacancies through recruiting pressures due to COVID19 challenges	-61
Adult & Community Learning	638	-631	544	-450	87	Reduced take up on courses impacted on level of grant income eligible to claim and franchise income due via Coleg Sir Gar	-32
School Information Systems	356	-28	313	-39	-54	3 part year vacant posts	-52
Other variances					22		43
Children's Services							
Commissioning and Social Work	6,992	-4	8,158	-954	216	Increased staffing, school transport & assistance to families costs following return to more normal activity after covid 19 pandemic (87k). Also net overspend on legal costs (£129k) - more external providers being used as a result of increased sickness levels internally and also complexity of cases	118
Corporate Parenting & Leaving Care	1,191	-299	1,199	-439	-133	Maximisation of grant income supporting priorities the service had already identified and have staff working on	-158
Fostering & Other Children Looked After Services	4,103	0	5,250	-1,011	136	Increase in Special Guardianship Orders (SGO's) and enhancement costs re more complex children in placements	146
Respite Units	1,012	-15	913	-17	-100	Underspend mainly in relation reduced staffing costs - COVID19 restrictions still in place during the year, recruitment delays, difficulty in recruiting and 1 officer partially grant funded	-45
Childcare	1,802	-1,270	1,502	-1,239	-268	Maximisation of existing grants and also additional in year grant awarded from Welsh Government supporting priorities the service had already identified and have staff working on	-91

Department for Education & Children - Budget Monitoring - Actual 2021/22
Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY	Notes	Feb 2022
	Expenditure	Income	Expenditure	Income	Actual Variance for Year		Forecasted for Year
	£'000	£'000	£'000	£'000	£'000		£'000
Short Breaks and Direct Payments	703	-75	989	-312	49	Overspend due to increased Direct Payments demand since change in legislation, further increase linked to COVID19 £117k and also increased demand for 1-2-1 support under Short Breaks, due to lack of available building based services £117k. This is partially offset by in year grant £125k & in year vacancy £60k CW Thomas	68
* Pay Award adjustments reflected in departments' actuals as at 31st March 2022	111	0	274	-214	-51	Maximisation of grant income, partially offsetting overspends elsewhere within the division	-67
Other Family Services incl Young Carers and ASD	582	-347	854	-664	-44	Sessional worker, travel and activity costs for Young Carers all significantly reduced as still not running clubs or holiday activities in 2021/22 (COVID19 guidance)	-43
School Safeguarding & Attendance	443	-165	698	-534	-115	Maximisation of grant income offsetting overspends elsewhere within the division	-60
Educational Psychology	995	-140	1,247	-353	39	Overspend mainly in relation to increased staffing costs - ongoing demand for additional staff, together with demands arising following COVID19 pandemic	13
Other Variances					14		31
Grand Total					-858		-1,469

Environment Department
Budget Monitoring - Actual 2021/22

PRE-CABINET 18th JULY 2022

Division	Working Budget				Actual				EOY Actual Variance for Year £'000	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non-controllable £'000	Net £'000		
Buisness Support & Performance	3,750	-3,784	1,969	1,935	5,355	-5,501	1,969	1,822	-112	-98
Waste & Environmental Services	26,626	-4,590	2,670	24,706	29,856	-7,655	2,670	24,871	165	479
Highways & Transportation	53,063	-31,211	12,922	34,774	52,842	-30,773	12,922	34,991	217	83
Property	38,899	-40,697	2,577	778	41,974	-44,224	2,577	327	-451	-381
Place and Sustainability	5,151	-2,092	1,117	4,176	5,070	-2,339	1,117	3,848	-328	-359
GRAND TOTAL	127,489	-82,374	21,254	66,369	135,097	-90,492	21,254	65,859	-510	-276

Environment Department - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY Actual Variance for Year £'000	Notes	Feb 2022 Forecasted Variance for Year £'000
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000			
Business Support & Performance							
Facilities Management - Building Cleaning	4,149	-3,691	5,740	-5,361	-78	Net effect of vacancies during the year. Recruitment completed and all posts filled.	-24
Business Support	-435	-35	-461	-35	-26	Net effect of vacant posts during the year, most now recruited.	-58
Departmental - Core	42	0	61	0	19	Health & Wellbeing posts not budgeted for (£11k); previous year efficiency not yet delivered.	19
Departmental - Policy	-8	0	-32	0	-23	Net effect of vacancy. Recruitment now complete.	-25
Other variances					-3		-10
Waste & Environmental Services							
Waste & Environmental Services Unit	-43	0	-94	-0	-50	Staffing complement being assessed and recruitment exercise will progress in the new financial year. Reduced spend on supplies & services.	-58
Emergency Planning	76	0	60	0	-16	LRF commitment covered by 2021/22 WG grant (£12k). Salary not at top of budgeted scale point (£4k).	-16
SAB - Sustainable Drainage approval Body Unit	126	-130	110	-69	46	Anticipated income not materialised - Dependent on number of submissions and market buoyancy of development projects	57
Environmental Enforcement	573	-18	549	-18	-24	Underspend relates to vacated posts. Work underway to assess future needs.	-25
Public Conveniences	241	-6	199	-12	-48	Due to a change in legislation with effect from the 1st of April 2020, Business Rates for stand alone public conveniences are now eligible for a 100% rate relief, this outturn includes 2020/21 and 2021/22 savings.	-52
Cleansing Service	2,712	-129	2,821	-267	-28	Staffing complement being assessed and recruitment exercise being planned.	-71
Waste Services	17,616	-1,252	18,855	-1,765	726	Additional treatment costs due to alternative processing arrangements as a result of the temporary loss of the materials recycling facility at Nantycaws	900
Green Waste Collection	566	-435	518	-516	-129	Increased customer base throughout last season and high volume of early sign up (pro-rata) at the beginning of the 2022-23 season.	-110
Grounds Maintenance Service and urban parks	3,596	-2,505	3,330	-2,544	-305	Reduced reliance on contracted services and vacancies during the year, recruitment in progress.	-145
Other variances					-7		-1
Highways & Transportation							
Departmental Pooled Vehicles	0	0	16	0	16	Underutilisation of the departmental pooled vehicles during the pandemic.	0
Transport Strategic Planning	365	0	355	0	-11	Project Management fees recovered from grants	-23

Environment Department - Budget Monitoring - Actual 2021/22

Main Variances

PRE-CABINET 18th JULY 2022

Division	Working Budget		Actual		EOY	Notes	Feb 2022
	Expenditure	Income	Expenditure	Income	Actual Variance for Year		Forecasted for Year
	£'000	£'000	£'000	£'000	£'000		£'000
Section 106 Transport schemes	0	0	1	-18	-17	Income received in 2021/22 for expenditure incurred in previous years	-11
School Transport	12,114	-923	12,747	-1,099	457	Additional operating days plus supply chain tender prices are increasing	379
Traffic Management	531	-70	973	-608	-97	Net increase in Traffic Regulation orders income	-103
Nant y Ci Park & Ride	82	-34	115	-55	12	Reduced demand on the service	12
Road Safety	240	0	102	-1	-138	Underspend due to vacant posts, one filled during the year and another to be filled early in 2022/23, an officer working part time hours and also an increase in Project Management fees recovered from grants.	-94
School Crossing Patrols	154	0	134	-3	-23	Recruitment difficulties in attracting applicants for some locations.	-22
Other variances					18		-54
Property							
Property Division Business Unit	136	0	69	0	-67	Net effect of the transfer of the previous Head of Property post holder	-68
Property Maintenance Operational	26,895	-28,326	32,474	-34,293	-388	Increased income from internal recharges reflecting work completed during the year, including significant unexpected projects.	-423
Other variances					4		110
Place and Sustainability							
Planning Admin Account	149	-16	300	-185	-18	Savings on supplies and services including the part-year effect of the Head of Service vacancy (now filled)	-61
Building Control - Other	218	0	208	-1	-11	Underspend due to Building Control Surveyor vacancies during the year but filled in Feb/ Mar	-12
Forward Planning	734	-2	627	-34	-139	£80k underspend due to staff vacancies (two of the three to be filled imminently), and £59k savings on consultants and other fees both due to COVID19 related delay in the LDP process	-129
Conservation	499	-13	481	-55	-60	Two vacant posts during the year - filled in Apr 2022	-59
Renewable Energy Fund	0	-52	0	-99	-47	Additional income received including £30k from previous years	-6
Net Zero Carbon Plan	131	0	75	0	-55	Vacant post to be recruited in 2022/23. Reduction in provision for grid infrastructure connection costs	-72
Departments' actuals as at 31st March					2		-20
Grand Total					-510		-276

Housing Revenue Account - Budget Monitoring - Actual 2021/22

	Working Budget £'000	Actual £'000	EOY Actual Variance for Year £'000	Notes	Feb 22 Forecasted Variance for Year £'000
Expenditure					
Repairs & Maintenance					
Responsive	1,950	3,376	1,426		1,466
Minor Works	3,271	1,960	-1,311	Increased demand due to backlog created by covid restrictions for responsive repairs. Capacity issues within Minor Works Framework due to increase in volume of work being procured , options being explored with Contractors to increase capacity. Overspend on Council Tax costs due to increased Void properties over longer periods. Overall R&M position within £60k of budget.	-1,461
Voids	3,717	3,945	229		120
Servicing	1,826	1,636	-190		41
Drains & Sewers	151	94	-57		-47
Grounds	816	779	-37		-35
Unadopted Roads	113	113	0		0
Supervision & Management					
Employee	5,757	5,204	-553	Vacant posts primarily in Home Improvement Team/Ty Isha (£-150k), Strategic Housing Delivery Team (£-159k) , Business Support (£-91k)	-422
Premises	1,273	1,793	521	Appropriation/Contribution To Insurance Reserve £400k, estate improvements and clearance works £102k	25
Transport	74	39	-35	Reduction in staff travel due to working from home.	-35
Supplies	886	1,028	142	Mainly legal fees and costs	136
Recharges	1,783	1,541	-243	Reduced recharge from building services.	-90
Provision for Bad Debt	544	1	-543	Write offs in year and age analysis of debt reduced requirement.	-408
Capital Financing Cost	15,068	14,426	-642	Lower MRP than budgeted for, due to less borrowing in 2020/21 outturn. Also, our success in accessing additional grants and reduced capital spend on the capital programme means there will be no borrowing in 2021/22	-707
Central Support Charges	1,742	1,731	-11		-11
Direct Revenue Financing	11,333	3,624	-7,709	The securing of additional grants to fund our capital programme, has significantly reduced the need for revenue contributions to fund the capital programme.	-5,476
Total Expenditure	50,303	41,292	-9,011		-6,902

Housing Revenue Account - Budget Monitoring - Actual 2021/22

	Working Budget £'000	Actual £'000	EOY	Notes	Feb 22
			Actual Variance for Year £'000		Forecasted Variance for Year £'000
Income					
Rents	-42,025	-41,860	165	Prediction close to target for rent due and voids	66
Service Charges	-816	-842	-26		1
Supporting People	-68	-142	-75		0
Interest on Cash Balances	-23	-19	4		13
Grants	-246	-364	-118	Overachievement of income linked to Welsh Government grants.	-93
Insurance	-213	-34	179		0
Other Income	-457	-481	-24	Increased income from Dwr Cymru due to change in HelpU scheme	-120
Total Income	-43,847	-43,742	105		-133
Net Expenditure	6,456	-2,451	-8,907		-7,035

HRA Reserve	£'000
Balance b/f 01/04/2021	19,444
Budgeted movement in year	-6,456
Variance for the year	8,907
Balance c/f 31/03/2022	21,895

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Mae'r dudalen hon yn wag yn fwriadol