

Public Document Pack  
**Bridgend County Borough Council**  
Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr



Civic Offices, Angel Street, Bridgend, CF31 4WB / Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont, CF31 4WB

Legal and Regulatory Services /  
**Gwasanaethau Cyfreithiol a Rheoleiddiol**  
Direct line / Deialu uniongyrchol: 01656 643148  
Ask for / Gofynnwch am: Mr Mark Anthony Galvin

Our ref / Ein cyf:  
Your ref / Eich cyf:

**Date / Dyddiad:** Thursday, 4 December 2014

Dear Councillor,

**COUNCIL**

A meeting of the Council will be held in the Council Chamber, Civic Offices, Angel Street, Bridgend on **Wednesday, 10 December 2014 at 3.00 pm.**

**AGENDA**

1. Apologies for Absence  
To receive apologies for absence (to include reasons, where appropriate) from Members/Officers
2. Approval of Minutes 3 - 12  
To receive and confirm the following Minutes of Council:-  
  
Ordinary meeting – 12 November 2014
3. Declarations of Interest  
To receive declarations of personal and prejudicial interest (if any) from Members/Officers in accordance with the Members' Code of Conduct adopted by Council from 1 September 2008
4. To receive Announcements from:
  - (i) Mayor (or person presiding)
  - (ii) Cabinet Members
  - (iii) Chief Executive
  - (iv) Monitoring Officer
5. To receive the report of the Leader
6. To receive the following question to the Leader/Members of the Executive  
**Question from Councillor R C Jones to the Cabinet Member – Strategic Change**

A recent news report concerned a Care Home Operator being fined £92k by HSE after a

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service user fell from a 1<sup>st</sup> floor window and died from the fall in 2010 at Brocastle Manor Care Home, Ewenny. The HSE investigation found the window restrictor use could be overridden. Hafod Care Association admitted a Health and Safety charge and also had to pay £100k. BCBC have Contracts with Hafod Care Association for 2 services – Picton Court and Brocastle. Does this represent any risk to the Authority?

- |     |   |          |
|-----|---|----------|
| 7.  | <u>Director Responsibilities - Social Services, Education and Transformation</u>  | 13 - 16  |
| 8.  | <u>Capital Programme 2014-15 to 2024-25</u>   | 17 - 30  |
| 9.  | <u>Information Reports for Noting</u>   | 31 - 112 |
| 10. | <u>Urgent Items</u><br>To consider any item(s) of business in respect of which notice has been given in accordance with Part 4 (paragraph 4) of the Council Procedure Rules and which the person presiding at the meeting is of the opinion should by reason of special circumstances be transacted at the meeting as a matter of urgency |          |

Yours faithfully

**P A Jolley**

Assistant Chief Executive Legal and Regulatory Services

**Distribution:**

Councillors:

S Aspey  
M Butcher  
N Clarke  
HJ David  
G Davies  
GW Davies MBE  
PA Davies  
E Dodd  
DK Edwards  
L Ellis  
EP Foley  
CA Green  
M Gregory  
DM Hughes  
EM Hughes  
CJ James  
P James  
RM James

Councillors

RD Jenkins  
PN John  
B Jones  
CL Jones  
M Jones  
RC Jones  
DRW Lewis  
JE Lewis  
JR McCarthy  
HE Morgan  
LC Morgan  
MEJ Nott OBE  
AD Owen  
DG Owen  
G Phillips  
DR Pugh  
CE Rees  
CL Reeves

Councillors

M Reeves  
D Sage  
CE Smith  
JC Spanswick  
G Thomas  
M Thomas  
RL Thomas  
JH Tildesley MBE  
HJ Townsend  
E Venables  
KJ Watts  
C Westwood  
DBF White  
PJ White  
HM Williams  
R Williams  
M Winter  
RE Young

MINUTES OF A MEETING OF BRIDGEND COUNTY BOROUGH COUNCIL HELD IN THE COUNCIL CHAMBER, CIVIC OFFICES, ANGEL STREET, BRIDGEND ON WEDNESDAY, 12 NOVEMBER 2014 AT 3.00PM

Present:

Councillor G Thomas - Mayor and Chairperson

M W Butcher	C J James	M E J Nott OBE	J H Tildesley MBE
N Clarke	P James	G Phillips	H J Townsend
H J David	R M James	D R Pugh	E Venables
G Davies	R D Jenkins	C E Rees	K J Watts
P A Davies	P John	C Reeves	C Westwood
G W Davies MBE	C L Jones	M Reeves	D B F White
E Dodd	R C Jones	C E Smith	P J White
D K Edwards	M Jones	J C Spanswick	H M Williams
E P Foley	D R W Lewis	G Thomas	R Williams
C A Green	J E Lewis	M Thomas	M Winter
M Gregory	J R McCarthy	R Thomas	R E Young
E M Hughes	H E Morgan		

Officers:

D Mepham	- Chief Executive
D McMillan	- Corporate Director - Children
M Shephard	- Corporate Director - Communities
N Young	- Corporate Director - Resources and Section 151 Officer
S Cooper	- Corporate Director - Wellbeing
P A Jolley	- Assistant Chief Executive Legal and Regulatory Services and Monitoring Officer
R Hemingway	- Head of Finance and ICT
L Jones	- Head of Regulatory Services
K Watson	- Group Manager - Legal
G P Jones	- Head of Democratic Services (Electronic Support)
J Monks	- Democratic Services Officer - Committees

412 APOLOGIES FOR ABSENCE

Apologies for absence were received from the following Members for the reasons so stated:

Councillor L Ellis	- Personal
Councillor D M Hughes	- Personal
Councillor L C Morgan	- Unwell
Councillor A D Owen	- Work commitment
Councillor D G Owen	- Work commitment
Councillor D Sage	- Unwell

413 MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the minutes of the meeting of Council held on the 12<sup>th</sup> November 2014 were approved as a true and accurate record.

414 DECLARATIONS OF INTEREST

None.

415 MAYORAL ANNOUNCEMENTS

The Mayor informed Members that he had been overwhelmed by the number of outstanding commemorative events which he had attended over the last few weeks commemorating the Centenary of World War One and Remembrance Day. He stated that they had been truly emotional experiences and he was sure that it would be similarly the case when he attended Archbishop McGrath School's production of the play 'My Boy Jack'; a representation of the experiences of families who lost sons during the Great War. The Mayor thanked everyone involved in the organisation of these events, including Councillor David White who helped to organise an excellent Poppy Appeal Concert.

The Mayor also thanked Councillor Megan Butcher for inviting him to take part in her sponsored walk event 'Touched by Cancer' at Kenfig National Nature Reserve last month. He reported that the event had been highly successful and had raised a considerable amount of money for a worthy cause.

The Mayor informed Members of some of the other events he had attended recently. He had attended the opening of a new shop in Bridgend town centre of the Emmaus Charity, which offered support to homeless people. He had also attended the launch of the 'Girl Power' activity centre at Brynteg Comprehensive and had taken part in Litchard Primary's 'Pink Assembly' and School Council.

The Mayor asked all Members to consider nominations from their local communities for the Mayor's Citizenship Awards. The nominees may be a charity champion, an outstanding volunteer, or someone who generally goes above and beyond the call of duty to help others. The awards nominations were due to open later this month and he would give further details at December's Council meeting.

Finally, the Mayor thanked all the Members who attended his charity banquet at the Golden Well last month and commented that it had been a truly lovely evening in aid of good causes. The Mayor also reminded Members that there would be two forthcoming events at the Heronston Hotel in aid of charity, namely a coffee morning on Friday, 21<sup>st</sup> November, and a 'Nearly Christmas' dinner on Friday, 5<sup>th</sup> December to be hosted by the First Minister, Carwyn Jones.

416 CABINET MEMBERS' ANNOUNCEMENTS

(1) Cabinet Member - Communities

The Cabinet Member - Communities informed Members that the Council would again be supporting its town centres on the run up to Christmas with concessions for free parking within its car parks. The proposed dates and times were in keeping with the previous tradition of operating concessions in the two weeks leading up to Christmas Day. The concessions will operate from:

- 8<sup>th</sup> – 13<sup>th</sup> December after 2.00pm
- 15<sup>th</sup> – 20<sup>th</sup> December after 10.00am
- 22<sup>nd</sup> – 24<sup>th</sup> December after 10.00am

The Cabinet Member - Communities stated that it was hoped the free Christmas parking would encourage footfall into Bridgend and Porthcawl town centres for the Christmas period.

The Cabinet Member - Communities updated Members on the UK Steel Enterprise, a regeneration subsidiary of Tata Steel which had provided £5,000 to the Council to back its work in assisting local businesses. UK Steel Enterprise was originally set up in 1975 to support investment and business growth in areas affected by changes in the steel industry and now invests directly in growing businesses, providing equity investment and loan

finance. It has also serviced office space and workshop units in various parts of Britain including Cardiff and Ebbw Vale.

The Cabinet Member - Communities stated that a cheque of £5,000 had been presented to the Council to support its work in capital investment and job creation, and two schemes were currently in operation: The Local Investment Fund and Green Shoots. The former scheme offers financial assistance of up to £35,000 (although currently this is capped at £10,000) on the basis of up to 40% support of eligible expenditure by small and medium sized enterprises. The latter scheme offers small grants averaging around £2,000 to micro enterprises who employ nine or fewer people.

The Cabinet Member - Communities informed Members that the Green Shoots project would finish at the end of December 2014 so the money from UK Steel Enterprise, matched with £5,000 internally from existing Bridgend County Borough Council resources, would allow continued Green Shoots type of support for new starts and micro businesses into 2015. Although the amount was modest, probably enough to support four or five small investment projects, there was the possibility of further support after 2015.

(2) Cabinet Member - Children and Young People

The Cabinet Member - Children and Young People announced that comprehensive preparations were being made for the Estyn monitoring visit to the Authority next month. Members would be informed of the outcome of the Inspectorate's visit which was expected to last three days.

The Cabinet Member - Children and Young People stated that a recruitment process was underway for a new Head Teacher at Archbishop McGrath Catholic High School and the new primary provision for Garw Valley South. Mrs Vivien Thomas currently a Head Teacher in Tairgwaith Primary School in Ammanford has been appointed as the new Head Teacher at Ogmere Vale Primary School.

The Cabinet Member - Children and Young People advised that the son of a Bridgend foster carer had won a prestigious UK national award at the inaugural Fostering Excellence Awards. Jac Talbot, a pupil at Bryntirion Comprehensive School, won the Fostering Sons and Daughters Award for the amazing impact he had had on the lives of those fostered young people who had lived in his home. Jac was also involved in a range of activities including recruitment videos, a "Skills to Fostering" film, several radio interviews and Dylan's story – a publication by the fostering network. He advised that sons and daughters like Jac played a crucial role in helping foster children to settle into a new home, as well as giving support to vulnerable children, and to that end, the Authority had developed a Sons and Daughters' Group; a network run by social workers to provide them with additional support.

The Cabinet Member - Children and Young People informed Members that the former youth wing at Bryntirion Comprehensive, which had been become run down and underused, has been transformed into a bright new Sixth Form Study Centre with multiple use. This was made possible due to a grant from Laleston Community Council who had helped to fund the new facility. The new wing was officially opened by the First Minister last month.

The Cabinet Member - Children and Young People informed Council that at the Heronston Hotel last month, over 60 professionals took part in the Authority's first ever conference dedicated to raising awareness of the needs of young carers. He was pleased to see staff from Pencoed, Litchard and Cynwyd Sant Primary Schools, Ysgol Bryn Castell Satellite School and Brynteg, Llangynwyd and Maesteg Comprehensive Schools supporting the event, which showed two DVDs "Walk in my shoes" and "Too tough to teach", as well as a presentation and question and answer session from four young carers, which the audience had found to be very powerful and moving. He advised that the key message was that

more training was needed for teachers in order to tackle problems for young carers in the Borough's schools, as those young carers often felt that their voices and roles were not valued. He announced that young carers would be performing, screening their DVD and exhibiting their artwork at an event to be held at the Heronston Hotel on Wednesday, the 26th November at 4.30pm. He advised that all Members would be welcome to support the event which had been organised by Action for Children.

The Cabinet Member - Children and Young People congratulated staff and pupils of Brackla Primary on becoming the first Primary School in the Borough to achieve the Silver Mark Award from the charity, Sustrans Cymru. He explained that many Brackla pupils regularly cycled to school and had enjoyed taking part in the weekly 'Bike It' club sessions and 'Wheelie Wednesdays'. The skills sessions had been held for pupils to pick up riding tips, safety advice and learn about bike and scooter maintenance.

The Cabinet Member - Children and Young People also congratulated teachers and pupils at Corneli Primary School for their efforts, which had resulted in a 76% increase in the number of pupils who regularly cycled to school, whilst walking was up by 22%, and 62% more pupils were travelling to school by scooter. He advised that their efforts had earned them a Bronze Mark Award.

Finally, the Cabinet Member - Children and Young People congratulated the 20 young people from Bridgend Secondary Schools who had achieved silver, gold and platinum level of the Bridgend Leadership Pathway, and they would be leading the Ospreys out when they played the Dragons at the Brewery Field this Friday.

(3) Cabinet Member - Resources

The Cabinet Member - Resources introduced Randall Hemingway, the newly appointed Head of Finance and ICT to his first meeting of Council. Randall had replaced Janet Smith who had recently retired from the Authority.

The Cabinet Member – Resources reported that a total of 31 annual reports had been received from Members, which had been published on Councillors' individual BCBC web pages. He advised that Personal Development Reviews were ongoing and templates and guidance on both were available via Democratic Services.

The Cabinet Member – Resources thanked those Members who had completed and returned the survey on School Performance data. However, he asked that all those Members who had not yet completed the survey to do so as soon as possible, so that the Authority could determine whether progress had been made in respect of the quality of information being provided. Copies of the survey were available from Democratic Services, and all queries should be directed to Dawn Davies, the Principle Officer – Business Systems in the Children's Directorate.

The Cabinet Member – Resources reported that the third and final module of the Leadership Academy would take place on the 17<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> November 2014, focussing on leading communities and developing partnerships. He advised that those events, which were provided by the Welsh Local Government Authority (WLGA), had been extremely well received, and he thanked those Members who had participated and made the sessions successful.

(4) Cabinet Member - Strategic Change

The Cabinet Member - Strategic Change stated that colleagues would be aware that the Council operated a system of elected Members visiting social care establishments throughout the Borough, which included establishments for both adults and children, as well as some of the Authority's independent sector care homes. He reminded Members of the importance of participating in quality assurance for the standard of care provided to

those citizens, and to this end Members would soon receive an e-mail reminder which would explain the system for visiting those care homes in full, and also encourage, request and sometimes require Member participation in the scheme. He reported that with 24 Members already taking part in the programme, training would be available for any new recruits and the scheme would also be able to clarify how many visits per year each Member undertook.

The Cabinet Member - Strategic Change updated Members on the long-running resettlement programme for people with learning disabilities. He reported that on the 29<sup>th</sup> October, the last nine residents of Bryneithin Registered Care Home were resettled into the community and had now become tenants of their own new purpose-built homes in Maesteg and had settled in very well alongside the staff that had moved with them. He commented that this was a significant step for learning disability services and the work being carried out to move forward from the residential care model to supported accommodation, enabling people to have greater independence and control over their lives. He informed Members that the land and buildings at Bryneithin were recently sold at auction, with the proceeds being placed within the corporate budget. He advised that this had been a good example of partnership working and congratulated the staff and managers for their determined efforts in planning and coordinating the move.

417 CHIEF EXECUTIVE'S ANNOUNCEMENT

The Chief Executive updated Members on the budget consultation process, and announced that the last community engagement workshop was due to take place this evening at the Grand Pavilion, Porthcawl. He explained that whilst the consultation itself was due to close on Monday, 17<sup>th</sup> November this would be the last chance for people to take part and have their say. He advised that some interesting issues and questions had arisen at the workshops, which provided positive feedback, with participants gaining a new insight into the difficulties in setting a multi-million pound Council budget.

He reported that the budget consultation had been widely promoted and publicised quite extensively, which included a special question and answer session on Twitter he had taken part in. He advised that this was a first for both the Council and himself, and analysis of the session had revealed that a total of 23,252 tweets and messages were viewed, resulting in a 475% increase in the Council's current daily Twitter average. He advised that it had demonstrated the growing appetite people had for using social media, which would become increasingly important in future Council interactions with local citizens. He commented that it would be interesting to see how we could apply it in the event of any severe weather such as ice, snow or flooding this winter. He informed Members that a Questions and Answers session had been agreed for a feature in next week's Glamorgan Gazette, when he would be answering readers' questions on the budget. He hoped that Members would urge their constituents to take part in the budget consultation before it closed next Monday.

418 ANNOUNCEMENT OF THE MONITORING OFFICER

The Monitoring Officer informed Members of the following changes to Committee memberships:

- Community Renewal and Environment Overview and Scrutiny Committee – Councillor H J Townsend to replace Councillor C E Smith;
- Corporate Resources and Improvement Overview and Scrutiny Committee – Councillor J R McCarthy to replace Councillor C E Smith;
- Town and Community Council Forum – Councillor R D Jenkins to replace Councillor D R Pugh;
- Development Control Committee – A replacement for Councillor C E Smith would be confirmed.

The Monitoring Officer also informed Members of the following additional meetings required:

- A special meeting of Cabinet is to be held on Tuesday, 18<sup>th</sup> November at 10:00am.
- An extraordinary meeting of Council is to be held on Monday, 24<sup>th</sup> November at 4:00pm.
- A special meeting of Health and Wellbeing Overview and Scrutiny Committee to be held on Friday, 28<sup>th</sup> November at 2:00pm.

The Monitoring Officer updated Members on the Special Cabinet meeting due to be held on the 28<sup>th</sup> November 2014, and advised that the meeting may be required to be held at another venue, as the whole Council Suite was booked for other meetings on that day.

The Monitoring Officer further advised Members of a change of date for the Town and Community Council Forum which had been moved from Monday, 5<sup>th</sup> January 2015 to Monday, 12<sup>th</sup> January 2015 at 4.00pm.

419 LEADER'S REPORT

The Leader announced that he had attended the town centre Remembrance Day event together with the Mayor and other dignitaries last Sunday. He reported that he had been struck once again by the way in which the people of Bridgend County Borough turned out in huge numbers to demonstrate their great respect for the local Military community, and for the sacrifice of those who had fallen. He thanked everyone who had attended, or taken part in the parade, and congratulated the organisers for enabling us to pay tribute to our Service men and women, both past and present, in such a fitting manner.

The Leader stated that Members may have seen recent media coverage concerning talk about voluntary mergers and advised that a report was being prepared for a meeting of Cabinet on the 18<sup>th</sup> November 2014, which would be recommending that this Authority responds to the Welsh Government with a formal expression of interest in a potential early merger with the Vale of Glamorgan Council. He explained that as Members were aware, the Welsh Government had invited Councils throughout Wales to express their interest in potential early voluntary mergers with other local authorities by the 28<sup>th</sup> November 2014. He advised that if the report was approved by Cabinet, an extraordinary meeting of Council would be called on the 24<sup>th</sup> November 2014, and if agreed, the Authority would respond to the Welsh Government with a formal expression of interest. He advised that this was likely to draw a great deal of further media interest and stressed that it was important to note that the Authority was still at an early stage in the process and no decisions had yet been made.

The Leader also announced that "Good Neighbours Stop Rogue Traders" was the message behind this year's National Consumer Week, which gave the Trading Standards Team another opportunity to raise awareness of the dangers of rogue traders. He advised that during the last week the Trading Standards Team had launched a new scheme which enabled elderly and vulnerable residents to nominate someone to deal with troublesome doorstep traders on their behalf. Cold callers often targeted people at their homes in an attempt to sell the latest 'wonder deal', or offer to carry out unnecessary repairs on their homes which often ended up being of poor quality, unnecessary and at an extortionate price. The Leader was sure that Members would welcome the new scheme, which would allow elderly residents to place a postcard on the front door, detailing their nominated neighbour's address and telephone number. The Leader informed Members that anyone interested in obtaining these postcards could do so by contacting the Trading Standards Team.

420 LLYNFI VALLEY DEVELOPMENT SITES

The Corporate Director - Communities presented a report for approval from Council to authorise the formal acceptance of a £2.5m loan from the Welsh Government's Central Capital Retained Fund and to include the additional capital works within a revised capital programme. The loan would enable site investigation and land remediation work to be undertaken so that the three sites could be marketed for residential development. It was envisaged that the remediation proposal would generate confidence and act as a catalyst for further investment providing environmental benefits to the local community.



The Corporate Director - Communities reported that an analysis of all prospective sites in the Llynfi Valley was carried out, including market testing and consultation with land owners in the area, which culminated in the proposed three sites being identified, detailed under Appendix 1 to the report.

He reported that no match funding was required by Bridgend County Borough Council for the loan, which would be confirmed subject to further negotiation with the Welsh Government as to the terms of the funding agreement.

The Cabinet Member - Communities stated that it was important not to underestimate this development as he believed that regeneration in terms of housing, wellbeing and education was vital for the Llynfi Valley. He informed Members that only two sites were going forward for development, where it was hoped in time a total of 150 new houses would be built.

One Member referred to the large deposit of winter grit currently being stored at Parcel B site (Maesteg Washery), held there as a cost saving initiative, and asked whether an alternative site would be allocated to accommodate the grit. The Corporate Director – Communities advised that some investigation work would be carried out regarding the grit. The same Member also asked whether there was a covenant restriction on the former Maesteg Comprehensive School site as to its use. The Corporate Director - Communities advised that the Head of Service would be tasked to investigate and would respond when the facts were established.

RESOLVED: That Council approved the formal acceptance of a £2.5m loan from the Welsh Government's Central Capital Retained Fund, subject to satisfactory negotiations on the loan agreement, with the Corporate Director - Communities being given delegated power to approve the final terms of the Loan Agreement and arrange execution of it on behalf of the Council, subject to such powers being exercised in consultation with the Assistant Chief Executive - Legal and Regulatory Services and Section 151 Officer, to include the additional capital works within a revised capital programme.

421 2015 -16 COUNCIL TAX BASE

The Head of Finance and ICT presented a report to provide Council with details of the Council Tax base and estimated collection rate for 2015-16. The base is also used by Community Councils in calculating their precepts on the tax base for each community area, and details of these were included in Appendix A to the report.

RESOLVED: That Council:

1. Approved the Council Tax Base and collection rate for 2015-16 as shown at paragraph 4.1 of the report.
2. Approved the tax bases for the community areas, as set out in Appendix A to the report.

422 HALF-YEAR TREASURY MANAGEMENT REPORT 2014-15

The Section 151 Officer presented a report in order to:

- Comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2011 Edition (the Code) to the report as part of a mid-year review an overview of treasury activities;
- Report on the projected Treasury Management and Prudential Indicators for 2014 -15;
- Inform Cabinet of the proposed changes to the Investment Strategy 2014-15 included in the Treasury Management Strategy.

The report provided background information and paragraph 4.1.1 outlined the treasury position for the 1<sup>st</sup> April to the 30<sup>th</sup> September 2014.

The Section 151 Officer reported that the details of the debt maturity on the £96.87m long term borrowing, outstanding as at the 30<sup>th</sup> September 2014 were detailed under Appendix A to the report. It was noted that the long term liabilities figure of £21.26m as at the 30<sup>th</sup> September 2014 included £19.54m for the Council's Private Funding Initiative (PFI) arrangement for the provision of a Secondary School in Maesteg.

She further reported that favourable cash flows had provided surplus funds for investments at the 30<sup>th</sup> September 2014 was £24.40m which included accrued interest, or stated as fair value in different instances.

The Section 151 Officer drew Members' attention to Appendix B to the report which detailed the Treasury Management Strategy and projected indicators for 2014-15. She reported that no long or short term borrowing had been taken during the period 1<sup>st</sup> April to the 30<sup>th</sup> September 2014, and it was forecast to remain at that level for the remainder of the financial year 2014-15. She advised that it was originally forecast that £5m new Public Works Loan Board (PWLB) borrowing would be taken in 2014-15; however this was currently being reviewed and an update would be provided to Cabinet at its meeting in February 2015.

The Section 151 Officer advised that as a result of the mid-year review, it was deemed necessary to make some minor revisions to the Investment Strategy within the Treasury Management Strategy 2014-15, as detailed under Appendix C of the report, to allow for increased flexibility in the constantly changing financial market. This would allow for increased secure investment opportunities available to the Council. The proposal is to amend the Investment Strategy to invest in the major UK banks as a precautionary measure, as the credit rating agencies had stated that they plan to review EU banks' ratings in line with each country's implementation of the EU Bank Recovery and Resolution Directive commencing in the UK in January 2015, a year ahead of most other countries. This meant that the UK and other Governments would be less likely to support failing banks.

The proposed changes were detailed under paragraph 4.6.2 of the report, and an extract of the revised Investment Strategy 2014-15, incorporating the proposed changes, are highlighted in Appendix D to the report.

The Section 151 Officer informed Members that the Treasury Management and Prudential Indicators 2014-15 were summarised in Appendix B to the report.

RESOLVED: That Council:

1. Approved the changes to the Investment Strategy within the Treasury Management Strategy 2014-15, as highlighted in Appendix D to the report.
2. Noted the Treasury Management activities for the first half of 2014-15.
3. Noted the projected Treasury Management and Prudential Indicators for 2014-15.

423 LICENSING ACT 2003 - STATUTORY REVIEW OF LICENSING POLICY

The Head of Regulatory Services presented a report, the purpose of which was to seek approval of Council to adopt the Council's Statement of Licensing Policy for the period 2015-2020. Under the Licensing Act 2003, Council is required to publish a Statement of Licensing

Policy and review it every three years. However, this did not preclude further amendments or adjustment if required, to reflect changes in legislation or operating models.

The Statement of Licensing Policy sets out the policies the Licensing Authority will apply when making decisions on licensing applications and reviews. The Policy attached at Annex A to the report was prepared in accordance with legislation and Statutory Guidance issued under Section 182 of the Licensing Act 2003.

The Head of Regulatory Services reported that partner organisations were consulted, primarily the South Wales Police (SWP), and were asked to report on any specific problems in their area, or in particular sectors of the licensed trade which were cause for concern. A summary from SWP was attached at Appendix 1 to the report. The report highlighted that during 2013-14 there were 461 licensed premises and 60 registered Members' clubs within the Borough and the Council had received 206 Temporary Events Notices, with around 1370 persons who held premises licences.

The Head of Regulatory Services further reported that recent developments had included greater partnership working and sharing of information with key partners, in order to tackle licensing issues, with significant concerns being reported on a monthly basis to Responsible Authority Group meetings with SWP. This joint working was recognised at the South Wales Police Awards 2012 where the Public Protection Department had received an Award for Safer Bridgend Community Safety Partnership through work carried out in controlling the late night economy in Bridgend, notably violent crime. This work had resulted in a significant reduction in the number of assaults, with Home Office figures predicting savings of over £1m to the public, with a further £100k in policing costs.

He informed Members that SWP had made representations that a cumulative impact policy should continue to apply to named town centre streets. This would result in applications for new premises licences, or club certificates, or variations likely to add to the existing cumulative impact normally being refused, unless the applicant could demonstrate that the operation of the premises would not add to crime and disorder or public nuisance. He emphasised that this policy would not fetter the discretion of an individual Licensing Sub-Committee to give proper regard to future applications for licences within the town centre for a venue which might not have an adverse impact on the area.

One Member asked whether crime statistics for other town centres in the Borough could also be reported as a comparison, and queried why the data only covered Bridgend town centre and had not included the hinterland.

The Head of Regulatory Services advised that the figures were to highlight the need to continue the special policy and at this time, feedback from SWP in relation to the whole of the Borough had not reported any significant issues other than in Bridgend town centre. However, ongoing meetings were in place so that if any issues occurred in other areas action would be taken, and where necessary, review any problem licensed premises through the licensing process.

RESOLVED: That Council:

1. Having regard to the licensing objectives, the guidance issued by the Secretary of State under Section 182 of the Licensing Act 2003 and the evidence supplied by the South Wales Police, approved a special policy in respect of applications received for premises in Wyndham Street, Market Street, Derwen Road and Nolton Street, Bridgend to address the problem of negative cumulative impact of licensed premises, the scope of which was set out in Section 6 of the Statement of Licensing Policy, attached at Appendix A to the report.

2. Approved the Statement of Licensing Policy attached at Appendix A to the report, and resolved that the Policy take effect from the 5<sup>th</sup> January 2015.

424 APPOINTMENT OF REGISTERED REPRESENTATIVE TO THE CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

The Assistant Chief Executive - Legal and Regulatory Services presented a report to seek approval of Council to appoint Mr Kevin Pascoe as a registered representative on the Children and Young People Overview and Scrutiny Committee for a maximum term of four years.

He reported that Mr Geraint Isaac had recently resigned from his position as the Secondary School Parent Governor Representative, and following an election held in accordance with the Parent Governor Representatives and Church Representatives (Wales) Regulations 2001, Mr Pascoe was nominated to serve as the Secondary School Parent Governor Representative.

RESOLVED: That Council approved the appointment of Mr Kevin Pascoe as the Secondary School Parent Governor Representative to the Children and young People Overview and Scrutiny Committee for a term of four years.

425 INFORMATION REPORTS FOR NOTING

The Monitoring Officer presented a report, the purpose of which was to inform Council of the information reports which had been published since the last meeting.

RESOLVED: That Council acknowledged the publication of the documents listed in the report:

<u>Title</u>	<u>Officer</u>	<u>Date Published</u>
White Ribbon Campaign	Chief Executive Officer	6 <sup>th</sup> November 2014
Decision Report	Monitoring Officer	6 <sup>th</sup> November 2014

The meeting closed at 4.00pm.

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO COUNCIL

10 DECEMBER 2014

### REPORT OF THE CHIEF EXECUTIVE

## DIRECTOR RESPONSIBILITIES – SOCIAL SERVICES, EDUCATION AND TRANSFORMATION

### 1. Purpose of Report

1.1 To seek approval for proposal to realign the responsibilities of the Director of Wellbeing and the Director of Children's Services, namely:

- for the Director of Wellbeing to assume line management of the Safeguarding Children Teams and therefore become the Director of Social Services and Wellbeing
- for the Director of Children's services to assume overall responsibility for the Council's transformation programme and therefore become the Director of Education and Transformation

### 2. Connection to Corporate Improvement Plan / Other Corporate Priority

2.1 This report links to the following corporate improvement priorities:

- Working together to help vulnerable people to stay independent;
- Working with children and families to tackle problems early;
- Working together to make the best use of our resources.

### 3. Background and outline of the proposal

3.1 This proposal is intended to address two key corporate concerns

#### 1. Capacity to drive our transformation agenda

CMB has identified significant gaps in the capacity and skills in place to deliver the broad and ambitious range of major projects either in place or proposed. These projects are typically transformational in nature and their success is critical to the delivery of the Council's corporate plan and Medium Term Financial Strategy.

These gaps highlight the potential for failure in the delivery of these projects and this weakness is therefore business critical.

CMB has identified the need to realign existing resources to create a single transformation team that would both deliver corporate projects and provide professional leadership for projects being delivered within specific directorates. Furthermore, CMB has identified the need for that team and approach to have senior level leadership at Head of Service or Director level.

This proposal allows for that to take place without the need to make any additional senior management appointments.

2. Clarity and conformity over Social Care professional leadership and accountability

Legislation requires the authority to appoint a Statutory Director of Social Services. In BCBC this function is fulfilled by the Director of Wellbeing. Whilst this post holder is accountable for social services across Adults and Children's services, the overall line management for Children's services has remained with the Corporate Director of Children.

Our current approach is counter to that favoured by Welsh Government, CSSIW and the other 21 Welsh Local Authorities. The Social Services and Wellbeing Act places a greater emphasis on local authorities considering children and adults at risk more holistically.

Given the increased responsibilities of the Social Care and Wellbeing Act, our commitment to continue to strengthen the robustness of our arrangements and the potential for merger with a neighbouring local authority the following proposal is being placed before Council:

- 3.2 It is proposed that the new arrangements take effect from 1<sup>st</sup> January 2015.
- 3.3 Integration of ' safeguarding and preventative services will continue within hubs. This integration is central to the successful delivery of a number of objectives including the sustained reduction in numbers of looked after children.
- 3.4 Business support arrangements for the Existing Children's Directorate and Wellbeing Directorate will require further review to ensure ongoing efficient and effective support to both areas of service.
- 3.5 The Corporate Project Management team will move from the HR service to report directly to the Director of Education and Transformation

**4. Effect upon Policy Framework & Procedure Rules**

- 4.1 There is no effect.

## **5. Equality Impact Assessment**

5.1 There are no equality implications arising from this report.

## **6. Financial Implications**

6.1 There are no costs associated with this process.

## **7. Recommendation**

- For the Director of Wellbeing to assume line management of the Safeguarding Children Teams and therefore become the Director of Social Services and Wellbeing.
- For the Director of Children's services to assume overall responsibility for the Council's transformation programme and therefore become the Director of Education and Transformation.
- For the Corporate Project Management team will move from the HR service to report directly to the Director of Education and Transformation.

**Contact Officer:** Darren Mepham

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**E-mail:** darren.mepham@bridgend.gov.uk

**Postal Address** Civic Offices  
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CF31 4WB

**Background documents:** None other than those identified within the report.

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## REPORT TO COUNCIL

10 DECEMBER 2014

### REPORT OF THE CORPORATE DIRECTOR RESOURCES

#### CAPITAL PROGRAMME 2014-15 TO 2024-25

#### 1. Purpose of the report

- 1.1 The purpose of this report is to obtain approval from Council for a revised capital programme for 2014-15 to 2024-25.

#### 2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 Capital investment in our assets is a key factor in meeting the Improvement Objectives set out in the Council's Corporate Plan.

#### 3. Background

- 3.1 In February 2014 Council approved a capital programme for 2014-15 to 2023-24. Council subsequently approved a revised capital programme in July 2014, reflecting funding changes to some schemes, slippage from 2013-14, additional external funding approvals and changes to expenditure profiles.
- 3.2 Within the draft local government settlement published in October, capital funding reduced by -1.1% across Wales, with a reduction for Bridgend of £36,000. No indications have been given for 2016-17, although the assumption is that the figures will be flat lined.

#### 4. Current situation / proposal

- 4.1 Since the capital programme was approved by Council in July 2014 there have been a number of changes including:
- additional funding required to support some projects.
  - re-profiling of spend across financial years following anticipated slippage in 2014-15.
  - changes to funding profiles for various schemes.
  - new schemes in the programme such as Vibrant and Viable places.

In the MTFs approved in February 2014 new projects were incorporated into the capital programme which included the Maximising Space and Technology project (£700k), funding for which was further increased in the report to

Council in July 2014. The capital programme as approved by Council in July 2014 is attached as Appendix 1 for information.

4.2 The programme approved in July totalled £40.835 million for 2014-15. The position at the end of quarter 2 was £29.685 million. The main reasons for the variance include:

- Slippage of £5.408 million on Porthcawl infrastructure to 2015-16;
- Slippage of £837,000 into 2015-16 in respect of work on parks pavilions;
- Slippage of £3.060 million on the new Coity primary school into 2015-16.
- Slippage of £707,000 on school modernisation programmes into 2015-16.
- Slippage of £1.019 million on the new Gateway Primary and Garw Valley South Primary schools into 2015-16.

There were also a number of new approvals, including:

- Transport grant £251,000;
- Flying Start additional provision for Lewistown £353,000;
- Domestic abuse grant £101,000.

4.3 In terms of capital receipts, the Council has secured a total of £2.3 million receipts during 2010-11 to 2013-14 and is anticipating securing £19.2 million usable receipts between 2014-15 and 2017-18, £9.5 million of which are ring-fenced for the 21<sup>st</sup> Century Schools Programme. The most significant of these receipts are not anticipated to be received until 2016-17.

4.4 In addition, the Council has committed to match funding of £11.135 million of school capital receipts and £2 million of general capital receipts to the school modernisation programme. Since the requirement for the match funding is generally before the old buildings can be vacated and the receipt realised, there is a need to maintain a reasonable level of balances.

4.5 Given the current level of capital receipts held by the Council, and the need to hold a prudent balance to mitigate against any unforeseen risks, officers have not been requested to submit a range of capital bids at the current time. However, there have been changes to some schemes which require Council approval in order to adjust or include them in the proposed capital programme.

The schemes are:

### **Special Regeneration Funding (SRF) for EU Schemes**

In the current capital programme, funding has only been approved as matched funding for EU schemes until the 2016-17 financial year. The current

annual allocation is £540,000. However, the service has demonstrated its success in leveraging in European funding over the last 10 years, using SRF as matched funding. For the four year period 2010-11 to 2013-14 the service estimates that for every £1 of capital matched funding they had available they secured approximately £5.30 of European funding.

The Welsh Government's new round of EU Structural Funds covering 2014-2020 will provide the Council with significant opportunities to bid for funding for new regional schemes covering social enterprise projects, urban and town centre regeneration, green energy programmes and employment support, as long as there is secured matched funding. The proposal is that the first call on the £540,000 should be any potential new schemes which significantly contribute to the Council's corporate priorities up to and including the 2020-21 financial year to cover the period of the new European programme. The provision should be reviewed annually and allocated to other schemes if suitable EU opportunities are not identified.

### **Maximising Space and Technology**

The current capital programme includes a budget of £1 million for the physical works to the Civic office. A further £360,000 is required to address existing problems in the building which have emerged during the refurbishment and to meet essential safety requirements on level 1 that have been identified during the design phase.

### **Llynfi Valley Development**

On 12 November 2014 Council agreed to accept a loan from the Welsh Government's Capital Retained Fund to enable site investigation and land remediation work to be undertaken so that three sites within the Llynfi Valley can be taken to the open market for future residential-led development. Council agreed to include the capital works within a revised capital programme.

### **Provision of a Playground at Ffordd yr Eglwys, North Cornelly**

Cabinet agreed at its meeting of 8 March 2011 to dispose of land at Ffordd yr Eglwys, North Cornelly. As part of the negotiations it was agreed that £75,000 of the capital receipts would be ring-fenced to provide a replacement playground on adjacent land. A capital receipt of £80,000 has now been received and it is proposed that, in accordance with the Cabinet decision, £75,000 of this is used to fund the cost of a new playground in the area.

### **Nantymoel Community Facilities**

Within the existing capital programme is an allocation of £200,000 to provide alternative community facilities within Nantymoel, following the demolition of the Berwyn Centre. Initially Cabinet agreed this funding to the end of March

2015. However, due to the time taken to develop alternative options and seek agreement with the community representatives, the physical works are likely to be delayed, and a request is to be made to Cabinet to extend this deadline until 31st March 2016 as part of the revised capital programme.

- 4.6 A revised capital programme allowing for the proposed changes along with anticipated slippage from 2013-14, additional external funding approvals and changes to expenditure profiles is attached as Appendix 2 to this report.

## **5. Effect upon Policy Framework and Procedure Rules**

- 5.1 Paragraph 3 of the Financial Procedure Rules requires that any variations to the capital programme shall require the approval of the Council.

## **6. Equality Impact Assessment**

- 6.1 Projects within the capital programme will be subject to the preparation of equality impact assessments before proceeding.

## **7. Financial Implications**

- 7.1 The draft local government capital settlement for 2015-16 provided this Council with £6.288 million capital funding for 2015-16. Currently £4.590 million is committed for 2015-16 and 2016-17 towards fixed annual allocations e.g. minor works, disabled facilities grants and SRF. From 2016-17 this reduced to £4.050 million as the SRF funding was due to cease. There is sufficient scope within this funding allocation to reinstate the funding for SRF between 2017-18 and 2020-21.

- 7.2 The additional resources required for the MST project can be met from an earmarked reserve set aside to recognise the risk that additional work on the building could emerge during the implementation phase.

## **8. Recommendations**

Council is requested to approve the revised Capital Programme as set out in Appendix 2 of this report.

**Ness Young**  
**Corporate Director - Resources**

**December 2014**

**Contact Officer**

Deborah Exton – Group Manager – Financial Planning and Management ext  
3604

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**Background Papers**

Report to Council 24 July 2014

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Page No	Budget	Slippage Per Outturn	Revised		Indicative										Total to 2023/24
	2013/14	2013/14	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
5	Total External Funding Approvals	12,718	167	12,551	9,647	8,575	9,137	2,690	-	-	-	-	-	-	42,600
6	Total Funding Available	39,133	2,221	36,912	40,835	20,704	20,487	11,740	6,324	6,324	6,324	6,324	6,324	6,324	168,622
	Funding Shortfall/Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Glossary of terms**

SBIG - School Building Improvement Grant  
 WG - Welsh Government  
 SEN - Special Educational Needs  
 TG - Transport Grant  
 Sustrans - Org. focused on making smarter travel choices  
 EU - European Union  
 WWSRA - Western Valleys Special Regeneration Area  
 HLPP - Healthy Living Partnership Programme  
 S106 - Section 106 of the Town and Country Planning Act 1990

## CAPITAL PROGRAMME 2014-2025

## Appendix 2

	Revised	Indicative										Total to 2024/25 £'000
	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	
<b>Children's</b>												
Pen Y Fai Primary School	907	105	-	-	-	-	-	-	-	-	-	1,012
Mynydd Cynffig Primary School Extension	398	-	600	2,600	1,300	-	-	-	-	-	-	4,898
Y Dderwen Comprehensive School	1,633	-	-	-	-	-	-	-	-	-	-	1,633
Coety/Parc Derwen Primary School	2,374	5,157	204	-	-	-	-	-	-	-	-	7,735
Tondu Primary School Temporary Accomodation	350	-	-	-	-	-	-	-	-	-	-	350
Additional Learning Needs	3,568	-	-	-	-	-	-	-	-	-	-	3,568
Garw Valley South Primary Provision	800	5,400	3,600	200	-	-	-	-	-	-	-	10,000
Pencoed Primary School	-	750	5,200	2,150	150	-	-	-	-	-	-	8,250
Gateway to the Valleys Primary Provision	529	1,340	5,220	1,740	-	-	-	-	-	-	-	8,829
Flying Start Provision	720	-	-	-	-	-	-	-	-	-	-	720
Ysgol Y Ferch O'r Sger	15	-	-	-	-	-	-	-	-	-	-	15
Ysgol Bro Ogwr	26	-	-	-	-	-	-	-	-	-	-	26
Héronsbridge Special School	-	-	-	1,000	500	-	-	-	-	-	-	1,500
Schools Modernisation Retentions	-	707	-	-	-	-	-	-	-	-	-	707
Litchard Primary School	180	-	-	-	-	-	-	-	-	-	-	180
Tremains Primary School	10	-	-	-	-	-	-	-	-	-	-	10
School Boiler Replacement	255	-	-	-	-	-	-	-	-	-	-	255
Children's Directorate Minor Works	805	-	-	-	-	-	-	-	-	-	-	805
<b>Total Children's</b>	<b>12,570</b>	<b>13,459</b>	<b>14,824</b>	<b>7,690</b>	<b>1,950</b>	-	-	-	-	-	-	<b>50,493</b>
<b>Wellbeing</b>												
<b>Adult Social Care</b>												
Celtic Court Purchase and Refurbishment	826	784	-	-	-	-	-	-	-	-	-	1,610
Bridgend LDD Core Centre	136	-	-	-	-	-	-	-	-	-	-	136
Pyle Life Centre Hub	18	-	-	-	-	-	-	-	-	-	-	18
Care Standards Act	105	-	-	-	-	-	-	-	-	-	-	105
Glan yr Afon Resource Centre	123	-	-	-	-	-	-	-	-	-	-	123
<b>Total Wellbeing</b>	<b>1,208</b>	<b>784</b>	-	-	-	-	-	-	-	-	-	<b>1,992</b>
<b>Communities</b>												
<b>Street Scene</b>												
Highways Maintenance(Capitalised Repairs)	200	200	200	200	200	200	200	200	200	200	200	2,200
Transportation Minor Works(Capitalised Repairs)	250	250	250	250	250	250	250	250	250	250	250	2,750
Local Govt Borrowing Initiative (Highways Infrastructure)	2,103	-	-	-	-	-	-	-	-	-	-	2,103
Local Govt Borrowing Initiative (Street Lighting)	588	-	-	-	-	-	-	-	-	-	-	588
Road Safety	240	-	-	-	-	-	-	-	-	-	-	240
Fleet Vehicles	68	-	-	-	-	-	-	-	-	-	-	68
Bridge Renewal	63	-	-	-	-	-	-	-	-	-	-	63
Parks Pavilions	150	837	-	-	-	-	-	-	-	-	-	987
Playground at Ffordd yr Eglwys	75	-	-	-	-	-	-	-	-	-	-	75
Highways Street Infrastructure	1,040	960	-	-	-	-	-	-	-	-	-	2,000
Coastal Access Improvement Programme	113	-	-	-	-	-	-	-	-	-	-	113
Residents Parking Bridgend Town Centre	152	-	-	-	-	-	-	-	-	-	-	152
Street Scene Minor Works	50	-	-	-	-	-	-	-	-	-	-	50
S106 Minor Schemes	28	-	-	-	-	-	-	-	-	-	-	28



	Revised	Indicative										Total to 2024/25 £'000
	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	
<b>General Capital Funding</b>												
General Capital Funding - Supported Borrowing	3,932	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	43,022
General Capital Funding - General Capital Grant	2,392	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	26,182
Capital Receipts	10,322	9,159	3,949	3,302	252	-	-	-	-	-	-	26,984
Unsupported Borrowing	1,853	4,697	-	-	-	-	-	-	-	-	-	6,550
Local Govt Borrowing Initiative (Highways Infrastructure)	2,691	-	-	-	-	-	-	-	-	-	-	2,691
Local Govt Borrowing Initiative (21st Century Schools)	1,980	2,503	1,113	-	-	-	-	-	-	-	-	5,596
Revenue Contribution	419	-	-	-	-	-	-	-	-	-	-	419
<b>Sub-Total General Capital Funding</b>	<b>23,589</b>	<b>22,647</b>	<b>11,350</b>	<b>9,590</b>	<b>6,540</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>111,444</b>
<b>External Funding Approvals</b>												
Heritage Lottery Fund (HLF)	232	300	100	35	35	-	-	-	-	-	-	702
CADW	20	-	-	-	-	-	-	-	-	-	-	20
WG - Flying Start	720	-	-	-	-	-	-	-	-	-	-	720
WG - Other	1,837	901	433	-	-	-	-	-	-	-	-	3,171
WG - 21st Century Schools	2,482	3,457	7,860	2,690	-	-	-	-	-	-	-	16,489
WG - Vibrant & Viable	634	4,267	1,057									5,958
Coastal Housing	150	-	2,205									2,355
Transport Grant	273	-	-	-	-	-	-	-	-	-	-	273
EU	783	36	-	-	-	-	-	-	-	-	-	819
S106	602	3,375	504	-	-	-	-	-	-	-	-	4,481
Other Contributions	28	-	-	-	-	-	-	-	-	-	-	28
<b>Sub-Total External Funding Approvals</b>	<b>7,761</b>	<b>12,336</b>	<b>12,159</b>	<b>2,725</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,016</b>
<b>Total Funding Available</b>	<b>31,350</b>	<b>34,983</b>	<b>23,509</b>	<b>12,315</b>	<b>6,575</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>6,288</b>	<b>146,460</b>
<b>Funding Shortfall/Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Glossary of terms**

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S106 - Section 106 of the Town and Country

Planning Act 1990

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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO COUNCIL

10 DECEMBER 2014

### REPORT OF THE MONITORING OFFICER

#### INFORMATION REPORTS FOR NOTING

**1. Purpose of Report.**

- 1.1 The purpose of this report is to inform Council of any information reports for noting since its last ordinary meeting.

**2. Connection to Corporate Plan / Other Corporate Priorities.**

- 2.1 The report relates to the Corporate Priority working together to make the best use of our resources by improving the way we communicate and engage with citizens.

**3. Background.**

- 3.1 Council has previously agreed to receive a report of this content.

**4. Current situation / proposal.**

4.1 Information Reports

The information reports below have been published since the last ordinary meeting of Council:-

<u>Title</u>	<u>Officer</u>	<u>Date published</u>
Welsh Government's White Paper Reforming Local Government – Expression of Interest for merger with the Vale of Glamorgan Council	Chief Executive	4 December 2014
Urgent Delegated Decision Report	Monitoring Officer	4 December 2014

4.2 Availability of Documents

The above reports have been circulated electronically and placed on the BCBC website. A Hard copy of the reports have also been placed in the Members Room for information and are available on request from Cabinet and Committee Services.

**5. Effect upon Policy Framework and Procedure Rules.**

- 5.1 This report accords with the relevant Procedure Rules.

**6. Equality Impact Assessment.**

- 6.1 There are no equality implications attached to this report.

**7. Financial Implications.**

7.1 There are no financial implications regarding this report.

**8. Recommendation.**

8.1 Council is recommended to note the content of this report.

**P A Jolley**

**Assistant Chief Executive Legal and Regulatory Services and Monitoring Officer  
27 November 2014**

**Contact Officer:** M A Galvin  
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Level 2 Civic Offices  
Angel Street  
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CF31 4WB

**Background documents:**

None were used in the production of this report



**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO COUNCIL**

**10 DECEMBER 2014**

**REPORT OF THE CHIEF EXECUTIVE**

**WELSH GOVERNMENT'S WHITE PAPER REFORMING LOCAL GOVERNMENT –  
EXPRESSION OF INTEREST FOR MERGER WITH THE VALE OF GLAMORGAN  
COUNCIL**

**1. Purpose of Report**

- 1.1 The purpose of the report is to provide Council with the Expression of Interest for merger with the Vale of Glamorgan Council which was submitted to Welsh Government on 28<sup>th</sup> November 2014.

**2. Connection to Corporate Improvement Plan/Other Corporate Priority**

- 2.1 The Corporate Plan takes a five year (medium term view) of the Council's Priorities. Changes to public services in Wales are likely to influence the Council's ability to deliver its immediate priorities. However changes to public services will have a more profound influence on the role and impact of public services beyond the life of the current Authority and the Corporate Plan.

**3. Background**

- 3.1 Cabinet and Council have received reports advising that in April 2013 the Welsh Government established The Commission on Public Services Governance and Delivery known as the "Williams Commission". In January 2014 the Commission published its report and 62 recommendations.
- 3.2 The report included a recommendation to reduce the number of local authorities in Wales and gave some options and variations. This included a recommendation to merge Bridgend County Borough Council (BCBC) with Neath Port Talbot County Borough Council (NPT) and a variation on this that would see these two councils also combined with Swansea City Council.
- 3.3 The Welsh Government White Paper "Reforming Local Government", published in July 2014 broadly endorsed the Williams report with a preferred option that included bringing BCBC and NPT together as a single authority. On 18 September 2014 Welsh Government published a document entitled "Invitation to Principal Local Authorities in Wales to submit proposals for voluntary merger". The prospectus enabled Councils to submit bids for voluntary mergers which would allow them to merge sooner than Welsh Government's legislative timetable otherwise provides for. Initial Expressions of Interest for voluntary mergers were required by the end of 28<sup>th</sup> November 2014.

3.4 On 18<sup>th</sup> November 2014, Cabinet approved and recommended to Council for approval that BCBC and the Vale of Glamorgan proceed to develop a joint expression of interest to merge voluntarily and to submit this Expression of Interest to Welsh Government by 28<sup>th</sup> November 2014. Council subsequently approved this decision on 24<sup>th</sup> November 2014.

#### **4. Current Situation/Proposal**

4.1 Officers of Bridgend and the Vale Councils prepared a draft submission on merger attached as **Appendix 1**. This document is not intended to be the full business case but is to enable Welsh Government to take a preliminary view on the proposal that will, if approved, lead to the full business case being developed.

4.2 On 28<sup>th</sup> November 2014 Cabinet approved the Expression of Interest (Appendix 1) for submission to Welsh Government. As the Expression of Interest was due to be lodged with Welsh Government by the end of 28<sup>th</sup> November 2014, the call-in procedure set out in Part 4 of the Rules of Procedure within the Council's Constitution did not apply. The Chairperson of the Community Safety and Governance Overview and Scrutiny Committee agreed that the decision proposed was reasonable in all the circumstances to it being treated as a matter of urgency.

4.3 Welsh Government currently proposes to respond by 5<sup>th</sup> January 2015 to any Expressions of Interest received by 28<sup>th</sup> November 2014.

#### **5. Effect on Policy Framework and Procedure Rules**

5.1 There is no effect upon the Policy Framework and Procedure Rules.

#### **6. Equality Impact Assessment**

6.1 There are no equality implications at the present time. A full Equality Impact Assessment will be required should the merger proposal continue to the business plan stage.

#### **7. Financial Implications**

7.1 There are no financial implications at this stage. Both Cabinet and Council have considered the wider financial implications of proposed early merger in previous reports.

#### **8. Recommendations**

8.1 It is recommended that Council note the Expression of Interest in merger with the Vale of Glamorgan Council which has been submitted to Welsh Government.

**Darren Mephram**  
**CHIEF EXECUTIVE**  
**November 2014**

**Background documents**

None other than listed in the report.

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**Bridgend County Borough Council**  
**Vale of Glamorgan Council**



# **Proposal for Voluntary Merger**

## **Expression of Interest**

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## Foreword

We welcome this exciting and once in a generation opportunity to explore the creation of a new local authority that will enable the people of Bridgend and the Vale of Glamorgan to thrive in sustainable communities.

We recognise that public services in Wales need to change and welcome the opportunity to be in the forefront of that change – working with the Welsh Government on transforming public services.

We will seek to create a New Council that will be:

- Adaptable, flexible, openly innovative and embracing of transformational change to support our communities, families and individuals.
- Responsive to the changing needs of all of our communities and citizens but with prioritised support for those who most need it.
- Committed to working fairly, openly and transparently with citizens and partners to shape effective services and solutions.

Bringing Bridgend and the Vale of Glamorgan together will allow us to develop realistic solutions to the major issues faced by our communities; issues such as rising demands for support for vulnerable people and reductions in traditional sources of funding. It will allow us to respond to changing public expectations, to influence services and outcomes and to be better able to develop and maintain the conditions required for successful economic growth and prosperity.

This expression of interest demonstrates our commitment to accelerate the transformation of public services through the voluntary merger of The Vale of Glamorgan and Bridgend Councils.



Cllr Neil Moore  
Leader  
Vale of Glamorgan Council



Cllr Mel Nott OBE  
Leader  
Bridgend County Borough Council

## 1. Our vision

**Voluntary merger will provide a timely and unique opportunity to radically transform the approach to public service delivery through creating an organisation that is able to understand and influence the needs of the communities of Bridgend and the Vale of Glamorgan and which is able to adapt and innovate in order to deliver joined up solutions. This will be designed into the operating model from inception so that the New Council can take a once in a generation opportunity to drive the transformational changes needed with accelerated pace and impact.**

Our ambitions for the New Council include:

- Playing an active and significant role **in a strong city region** centred on Cardiff such that the city region as a whole can compete on a national and international basis.
- Deepening **integration between health and social care services**, ensuring that those services are designed around the needs of service users.
- Brokering smoother transitions in **health and social care pathways**, recognising that both our populations already look both east and west to Cardiff and Vale and Abertawe Bro Morgannwg Health Boards for aspects of health care and there are discontinuities in both community care and acute provision that the council would like to play an active part in eliminating.
- Driving up **educational attainment**, recognising that as well as tackling poor performance, both current councils need to move good schools into excellence and improve opportunities to support employment and improve adult literacy and numeracy.
- Working effectively with partners and citizens to build whole system approaches to issues such as family and child **early intervention** and **tackling poverty**, including through the pooling of resources, to support communities to be safe and prosperous.

### 1.1 Delivering the Transformation

Service transformation is at the heart of our vision. We are confident that in delivering this vision we can make a significant contribution to Welsh Government's ambitions for Wales. Detailed below is a framework for a new way of working which responds to the request made by Welsh Government in the White Paper on Reforming Local Government issued in July .

*'We want well-run Local Authorities which operate transparently and openly, which plan effectively, which use the resources available to them to best effect, and which work collaboratively and in partnership with others wherever this will benefit the people they serve.'*



The New Council will **reshape services** and the council's relationship with citizens and partners, to enable us to meet future needs. This means transforming how we work and embracing alternative ways of delivering services, engaging with a range of stakeholders in the development and delivery of those services, and developing the New Council and its partners to ensure future challenges can be met.

This new way of working will be underpinned by a **sustainable** approach to the management of resources and demand at a time of unprecedented financial pressure. It will also involve changing the expectations of citizens by more effective communication and leadership and through earlier interventions to improve outcomes and lessen longer term service reliance.

The existing councils currently have similar **transformational change** programmes aimed at delivering the councils' corporate priorities in the context of reducing resource bases. The merger is a real opportunity to look more creatively at these programmes and to identify new models of service delivery that will be sustainable beyond the current planning period. A greater emphasis will be placed on commissioning for outcomes across all services and by engaging communities and the third sector more strongly in service design and delivery.

The principles set out in the National Strategic Framework for Community Development in Wales (that it should be **community led**, include all parts of the community, change the balance of power and allow empowerment, recognise the length of time needed to achieve change, provide a learning environment and be a holistic approach) will underpin the working practices of the New Council. Regarding communities and community groups as partners in service delivery, in much the same way as other partners such as public and private sector organisations, will require and lead to new approaches.

The successful transformation of services will only be achieved by ensuring local people have a **stronger voice** and more influence over how services are designed and delivered. Both councils have already begun to have these conversations and understand the value of listening to what people have to say about local services. It is our responsibility to respond positively and to harness the energy and knowledge within our local communities to reshape our services.

The New Council will build on existing relationships across all sectors including our town and community councils. Through effective engagement and a willingness to listen we will embrace **creativity and innovation** to transform our services and be at the forefront of a modern, resilient and re-energised public sector for Wales.

Creating a local authority which can operate on a bigger **scale** but remain close to local communities is the best way to take advantage of new opportunities in areas such as economic regeneration, devolved powers, greater financial flexibilities and responsibility for performance.

The New Council will explore ways of encouraging people across society to engage in the **democratic and decision-making processes** alongside effective scrutiny and performance management. Indeed the initial vision for the New Council as set

out will need to be tested and developed further from engagement with our communities.

The two existing Councils wish to explore with Welsh Government the legislative and financial enablers that will support and allow this transformational agenda to be delivered through voluntary merger. A number of these enablers are identified elsewhere in this document but we are seeking, for example, a general “power of competence” and greater financial freedoms to allow us to identify and better respond to local needs.

## **2. Capacity and Capability**

### **2.1 Breadth and Depth of Capacity**

It is envisaged that a merger between the Vale and Bridgend Councils will help bring resilience to a range of council services.

The two councils have already demonstrated an appetite and pedigree for successful collaboration. Examples include the establishment of an effective joint audit team, collaboration in relation to the launch of the joint education service, development of a joint CCTV service across the Vale and Bridgend and the newly approved regional regulatory service. These collaborations enabled a better use of scarce resources including specialist staff. A decision to pursue a voluntary merger provides a significant impetus that could benefit further from such work, including but not limited to:

- Development of ICT infrastructure and specialist support
- Planning
- Highway development, construction and routine maintenance
- Additional learning needs support
- Commissioning of out of county care packages
- Fleet management and vehicle maintenance
- Corporate services

A voluntary merger will help increase resilience in certain specialist areas through the sharing of key posts and the retention of officers in particular “hard to fill” posts. This will reduce dependency on agency staff and specialist consultancy support, with potential savings from the associated costs.

It is acknowledged that whilst a merger would not, in itself deal with the underlying problem of national skills shortages it will help strengthen the career structure for those already employed and provide an increasingly attractive option for new staff. Specific areas of current challenge across the two organisations include senior accountancy staff, ICT support (particularly in relation to ORACLE development), highway design and development, specialist legal services, specialist project managers, occupational health specialists and specialist social workers.

In other areas an increasingly joint approach to contracting and commissioning of specialist services may help support the cost effective procurement of services such as out of county placement, for example. There will be clear opportunities to reduce the duplication of services and achieve greater economies of scale as well as building strength in areas of weakness and sharing good practice.

Opportunities exist in back office and front line service areas and where practicable could be facilitated initially by the sharing of senior management posts on an incremental basis and based on current vacancies at this level. There is an opportunity to be explored in terms of the planning function across the two councils as well as fleet management, refuse collection and recycling activity. There is an

opportunity for reducing contract costs, maximising capital assets and making best use of depot space.

Opportunities could be replicated in other areas (for example, youth services, Additional Learning Needs provision, library management and a host of client structures) and accelerated on the basis of an early indication of support for a voluntary merger. Such opportunities can be exploited on the basis of the similarity of organisational and staffing structures within service areas and the strength of relationships and cultural alignment that exists between such services.

## **2.2 Challenges in Building Breadth and Depth of Capacity**

There are clear challenges in relation to achieving the benefits as set out above. Such challenges are no different from those that will exist as part of any merger exercise but the existing political, cultural and organisational congruence between the two organisations will assist in meeting the challenge. However, addressing these challenges will have significant financial implications that will need to be explored comprehensively in the proposal for merger at stage two of the Welsh Government process, and for which funding will have to be available.

It is clear (from recent experience in relation to the Regulatory Services project) that both the Vale and Bridgend have congruent management of change processes and equally good relationships with the trade unions. These will provide an essential platform to progress a voluntary merger exercise and are described in further detail in later sections of this document.

There will clearly be a need to align organisational and governance structures, the complexity of which is not underestimated. Whilst there are clear similarities, there are also important functional differences (and particularly in relation to the separation of children's services from adult social care in Bridgend).

An important challenge will be to attend to the organisational development issues around change and particularly in relation to the engagement of stakeholders, the need to set and communicate the vision for the organisation and the need to build a congruent and aligned leadership team. In such a change process it will also be important to ensure that the differences between the two organisations are respected and acknowledged as part of the merger process.

The most important issue will however be in taking a bold approach to the change process, resourcing the transition and ensuring both strong political and operational leadership. It is important for service users, staff and wider stakeholders that the timeframes and associated uncertainty are minimised. For staff this will be important in order to avoid the loss of key skills and experience at a time when the aim is to strengthen resilience.

## **2.3 Major Benefits**

There are a range of potential benefits that could be realised as a result of a voluntary merger between the Vale of Glamorgan and Bridgend. The speed at which such benefits could be realised will be eased by existing relationships, operational similarities and culture between the two authorities, but dependent upon resources being made available to meet the upfront costs of integration.

The alignment of political, financial and governance arrangements will clearly need to be subject to due process (and related timescales) but the platform for organisational alignment could be established within a 12-18 month period.

The major benefits of a voluntary merger with regard to capacity and capability are expected to be:

- The opportunity to build resilience in key service areas in the face of increasing budget pressures and despite a necessary reduction in headcount
- The increased ability to recruit and retain key skills
- The opportunity to reduce duplication in service provision, increase efficiency and therefore achieve savings
- Ability to maximise strengths and learn from each authority's experience of alternative delivery mechanisms
- Opportunity to do the above with relative speed, reducing uncertainty for our stakeholders and provide a lead for other merger exercises

## **2.4 Workforce Planning**

The process of a voluntary merger will help in the sharing of developing practice in this key area and taking an organisationally "bigger picture" approach to the workforce demands of the future.

Both Bridgend and Vale Councils recognise the importance of effective workforce planning. For example, the Vale has established workforce planning arrangements as an important part of the wider performance management regime, linked to both service and financial planning and underpinning both Human Resource and Training and Development strategies. This could be developed with Bridgend as a basis for a wider framework for the New Council. A priority for the two councils will be to align the service planning and workforce planning processes at an early stage.

The workforce plan for the New Council will need to be developed so that it is aligned to the transformation agenda and new ways of working.

### **3. Leadership, Recruitment and Retention**

#### **3.1 Recruitment and Retention**

Turnover figures for corporately employed staff have been generally lower than national averages in both local authorities; a situation which reflects well on the retention policies of both authorities, but undoubtedly also the instability and uncertainty in the wider economy.

The turnover in chief officer and wider leadership roles has largely been driven by the need to reduce headcount figures and layers of management at this level and, at the same time increase spans of control. A voluntary merger will help provide some resilience in some key service areas whilst continuing to find financial savings.

In the limited number of cases where senior appointments have been advertised, appointments have been made, but with a noticeable reduction in the number of applicants who have expressed an interest. This again may be due to the general uncertainty in local government; a situation which will improve should the merger be approved.

Challenges are experienced in relation to some of the traditional recruitment and retention “hotspots” across both authorities including senior accountants, ICT officers (ORACLE in particular), specialist social workers, engineers and specialist lawyers. Such challenges will need to be continually mitigated through an emphasis on a “grow-your-own” and succession planning strategy. The opportunity to share developing practice with regards to graduate and apprenticeship recruitment will be strengthened as part of a voluntary merger between the two authorities.

#### **3.2 Development of Attractive Career Paths**

Central to the workforce planning regimes of both authorities is the focus on the development and engagement of the respective workforces in the Vale and Bridgend.

There are good examples of developing career pathway opportunities in a number of the professional areas (planning, legal, accountancy, social work and human resources) and voluntary merger will, again provide the opportunity to align such arrangements and share good practice.

Such arrangements need to be broadened out to other parts of the workforce; the opportunity for which now exists as a result of the recent work around job evaluation. Work in both councils, for example is underway in relation to the establishment of job families, – defining roles more broadly and thereby enabling movement and flexibility between and within jobs. This will provide a further basis for work around career pathways.

Work is also underway to bring together all aspects of the councils’ apprentice and youth employment strategies in order to establish a formalised “path” between work

experience, jobs growth wales placements and then a more formalised apprenticeship scheme. This scheme can be expanded to embrace both local authorities, widening the intake area and opportunities for prospective apprentices.

Leadership development will be critical to the success of the New Council and will need to link to the associated succession planning and talent management strategy. The leadership skills of the New Council will need to focus on relationship management and commissioning rather than the more traditional resource management.

The prospect of a voluntary merger will help bring together the independent work that is being undertaken in each authority and ensure that important resources are focused and shared in this key area.

### **3.3 Recruitment and Retention and Talent Management Strategies**

A newly and consensually merged authority will be of significant help to the recruitment and retention ambitions for both authorities. It will help reduce the timescales and uncertainty of local government reorganisation and help employees focus on service delivery and new service delivery models. The challenge of service delivery and working in a newly formed authority will, if well managed provide both a reason to stay and hopefully a means of attracting employees from outside the two organisations.

The important elements of both the recruitment and retention and talent management strategies are summarised below:

- The essential focus on leadership development to embed the values of a new organisation and to ensure the engagement of all staff.
- The reframing of the employment relationship to reflect the new values for the merged authority and the mutual expectations of both the authority and employees.
- A clear focus on performance management and the connection between the performance of an employee and the wider objectives of the New Council.
- The need to increase flexibility and reduce prescription within job roles in order to increase accountability, capacity and performance.
- An increasing focus on skills definition and development to support flexibility (and movement) between roles and wider succession planning.

A successful succession planning strategy will need to be based on a healthy balance between external and internal recruitment. The needs of the new organisation will depend to a large extent on the retention of the skills and experience of officers within the Vale and Bridgend and the leadership of elected members and corporate management team members. It will also depend on the success of internal succession plans (and “grow your own” strategies) to respond to recruitment problems in specialist areas.

Equally it is accepted that there will be a change in the types of skills and roles required in the New Council which will inevitably require the testing of the wider

recruitment market and an increasingly uncompromising approach to role “fit” and performance.

Aligned to this is an increasing acceptance of the challenge of youth employment and specifically the reducing numbers of 16-24 year old employees as a proportion of the workforce. The need to strengthen approaches to apprenticeship recruitment strategies (as set out above) will be important in this regard.

The above issues will be central to the planning and development arrangements in relation to a merger between the Vale and Bridgend Councils.



## 4. Efficiency

The merger process offers a unique opportunity to transform services by providing a clear break from the past in the minds of service users, elected members, staff and partners. In doing so it is possible to rethink the way in which services are delivered and structured and to build from the ground up an organisation that is focused on efficient and effective ways of working.

There are a number of potential efficiency gains that could be achieved by merging the two councils. The first relates to reducing the number of senior managers and elected members. There are currently thirty one senior strategic managers (Heads of Service and above) across the two councils. While the Merger Proposal will examine how many posts will be needed post-merger, the expectation is that it will be less than thirty one. In terms of elected members there are currently fifty four members in Bridgend and forty seven in the Vale. A merged council could have a maximum of seventy five members, resulting in a saving of the costs of remunerating and supporting about twenty six members post-merger.

Each council has significant savings assumptions built into its Medium Term Financial Strategy. While the merger will not significantly alter those strategies, the integration of services has the potential to contribute to the achievement of the savings anticipated in later years (i.e. 2016-17 onwards). The extent of these savings will be dependent on the savings already realised by that time and the investment needed to achieve integration. This will need to be considered as part of the Merger Proposal development.

The merger could create economies of scale in respect of procurement and commissioning beyond those which are currently being achieved through the Welsh Purchasing Consortium and the National Procurement Service. There is also an expectation that a merger could help to make services more resilient than will otherwise be possible over coming years e.g. by combining corporate functions such as Human Resource, Finance and frontline services. The potential for any savings area will be dependent on the rate of current cuts to services and the merger timeframe.

The WLGA has commissioned CIPFA to undertake a study to estimate the transitional costs and benefits of local government reorganisation in Wales. The final report is due for imminent release and although a 'high level' desk-top exercise and therefore not necessarily reflective of the actual position which may emerge, it should provide some indication as to the opportunities for savings arising from merged and rationalised frontline, corporate and support services.

The potential for efficiency savings to be realised from asset rationalisation will also be explored in the Merger Proposal. It may be possible in some cases to reduce the combined operational estate by co-locating teams in a smaller number of premises and enabling staff to adopt more agile working practices. In others (such as depots) it may be that multiple bases continue to support more efficient service delivery.

Efficiency savings should result from integrating and/or rationalising ICT systems, particularly in respect of transactional services. However the costs of and lead time

for integrating systems is expected to be significant and could impact on the scale and timing of any potential savings.

The precise savings accruing will of course depend upon the size and particular circumstances of the authorities being merged and will be progressed for the voluntary merger between Bridgend and the Vale of Glamorgan when developing the Merger Proposal. Nevertheless, the savings eventually accruing could provide some support towards the longer-term additional costs associated with merger.

There are also potential efficiency gains to be derived from adopting best policies and practices from each council. As the two councils are similar in size, there is less risk of one set of practices dominating irrespective of whether they are the most efficient or effective means of delivery.

The councils are clear that in order to continue to deliver priority services, new ways of working are a necessity, including ways of helping communities to help themselves and improving preventative work. This approach will involve further developing services with strategic partners and the voluntary and private sectors where appropriate. The economic downturn has undoubtedly placed council budgets under extensive strain but has also provided the impetus to review the efficiency of spend. A key area of focus for the councils moving forward will be to relentlessly question the *effectiveness* of this expenditure in order to ensure that reduced resources are delivering the anticipated outcomes for service users.

The councils have a good body of experience in alternative forms of service delivery such as the provision of leisure centres via trust arrangements. In other areas different approaches have been pursued, for example where one authority externalises a service that the other provides internally. As such the merger process provides the opportunity to evaluate in real terms how different models work and use this to inform future delivery models.

In other areas, consideration will be given to increasing the proportion of services commissioned from the third and private sectors, where efficiencies could be demonstrated.

## 5. Accountability and Engagement

Both councils are already committed to improving the way in which they engage with residents, communities and key stakeholders in decision-making, and this is a feature that will continue with the New Council. How it is developed will be informed by the principles set out in Welsh Government's "Devolution, Democracy and Delivery: Improving public services for people in Wales" and the proposed White Papers to follow. Collaborative working between Welsh Government and councils seeking voluntary merger will bring clear benefits in this regard.

In terms of the councils' scrutiny processes, there are already various all-Wales initiatives under way, and the Centre for Public Scrutiny as an all-Wales resource has helped to develop links with existing scrutiny networks and to progress specific work such as the developing Outcomes and Characteristics for Effective Local Government Overview and Scrutiny. Both councils' officers are actively involved in that work. At present, the characteristics are not mandatory, but they do provide an opportunity to develop a framework that councils can use to continue to assess their own scrutiny arrangements with a view, as is already the case, for continuing to monitor areas for improvement.

The recent report of the Wales Audit Office "Good Scrutiny? Good Questions!!" and the nine specific recommendations contained in that report cover the areas where support mechanisms and liaison between local authorities, Welsh Government, the WLGA and regulators will need to be developed if the effectiveness of scrutiny is to be enhanced. Both councils are already working to build on those recommendations. The work already undertaken on the scrutiny of the LSB is particularly important and will facilitate a common scrutiny across two LSBs should this proposal be accepted.

The respective Heads of Democratic Services and their staff have long, well-established working relationships which will facilitate the transition to the new merged council. Regular interaction occurs, not just at all-Wales and regional networks covering governing Democratic Services, scrutiny and Member support, but also on specific projects. Officers from both councils are also involved in preparing for joint scrutiny in respect of the Regulatory Services collaborative project, for example.

Scrutiny is an essential component of performance management. The quality of services must begin at the point where it is decided what services will be provided, how they are provided and by whom, and what outcome is intended. These decisions will be overseen via the scrutiny process. As delivery progresses, scrutiny will be brought to bear on how well services are performing and on any remedial actions required. Holding the council Executive to account will be a natural corollary to these activities if they are conducted robustly and thoroughly.

Community engagement in its wider sense is described as part of the process for the New Council in delivering its vision. Communities and community groups will be seen as partners in service delivery rather than simply recipients of services, and will be engaged as such.

Community engagement with disadvantaged groups and areas will continue to be pursued under such initiatives as Communities First. There may also be opportunities to enable such groups to build capacity to run their own services as part of these developments.

The role of Elected Members is clearly crucial in enabling their communities to make their views known. Playing an effective part in Scrutiny Committees will be a bedrock activity in this regard, as outlined above. Members will naturally bring their experience of their constituents' views and voices to their scrutiny activities, which in turn will impact on what services are delivered and how.

The mechanisms for working with and engaging with public service partners are well established in both councils. Collaboration and engagement with wider regional partners and other councils is essential and will continue, building on successful practices to date.

Finally, it is worth making the point that engaging with a wide variety of stakeholders as part of preparing a proposal for voluntary merger, will stand the New Council in good stead and should provide examples of good practice for the future.

## **6. Demographic, Financial and Demand Pressures**

To provide local context to the expression of interest in voluntary merger, information relating to the profile of the Bridgend and Vale of Glamorgan area along with an overview of the medium to longer-term financial outlook for the two authorities is given in this section. This is complemented with a description of the geo-economic profile of the area, specifically in relation to the Cardiff Capital Region. This section also considers the way in which services across a range of key areas are currently provided describing the significant challenges being faced by the councils in terms of demographic, financial and demand pressures, with indications as to how these could be impacted by the proposed merger.

### **6.1 Area Profile**

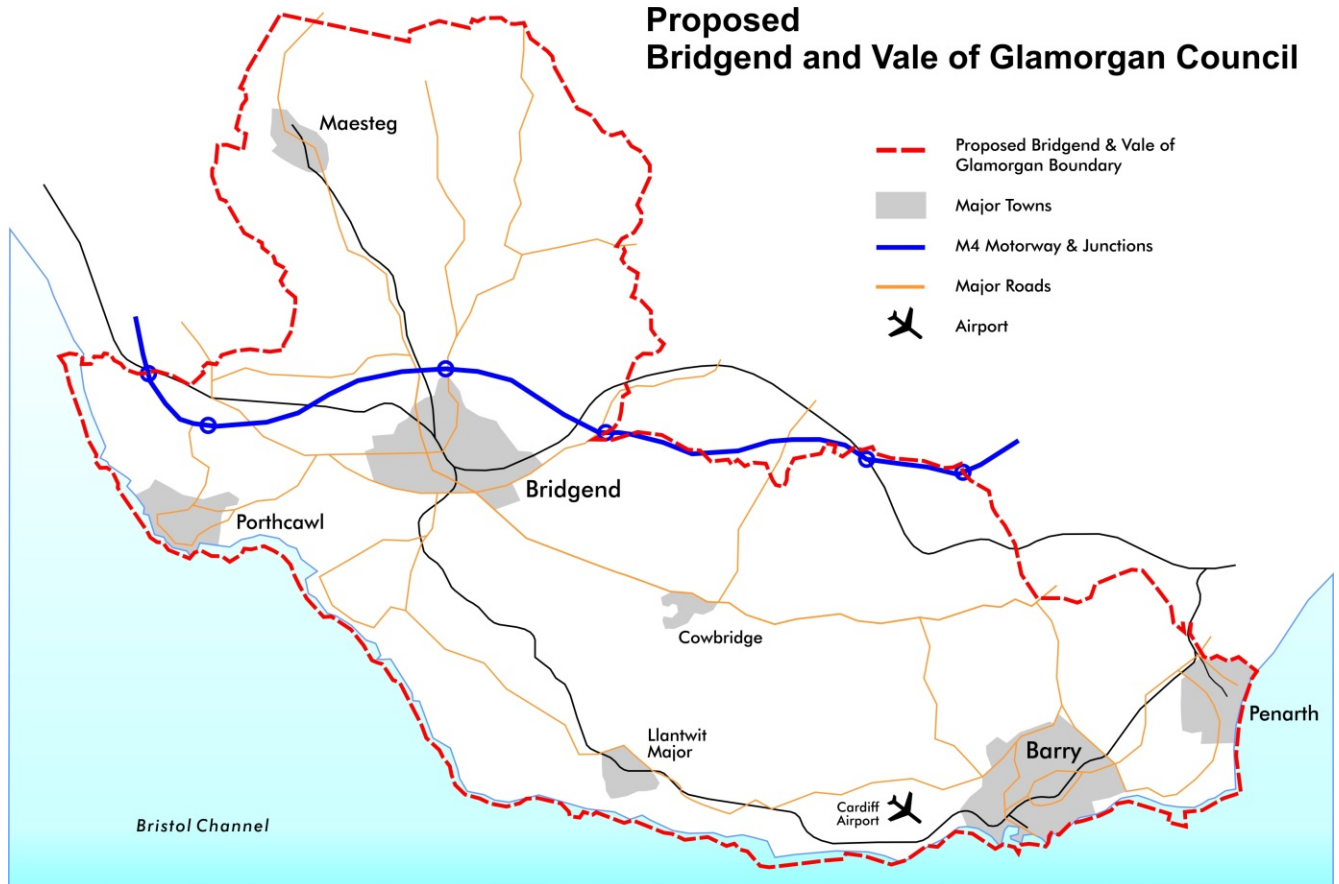
The current Bridgend and the Vale Council administrative areas are of a similar size. Bridgend has a population of over 139,000 and the Vale around 127,000. The resultant New Council will have a population of circa 266,000 which is large enough to benefit from economies of scale and provide resilience. The combined population will be greater than Monmouthshire and Newport (237,000) and Conwy and Denbighshire (209,000), which are Councils proposed in the Welsh Government response to the Williams report. In addition, it will also compare favourably with Anglesey and Gwynedd (191,000) and Ceredigion and Pembrokeshire (198,000). It will also be larger than two of the proposed stand-alone councils of Carmarthen (184,000) and Powys (133,000).

The similarity in size between Bridgend and the Vale is seen as being likely to lead to an equitable distribution of resources across the area of the New Council than will be the case should the merging councils be significantly different in size and consequently influence.

A merged Bridgend/Vale council whilst sufficiently large to be sustainable will not be so large for it to become too distant from the citizens it will serve. It will not be necessary to institute elaborate sub-structures for service delivery to try and preserve some sense of place and make service delivery sensitive to the needs of the local population. The size will also mean the New Council will be able to innovate and yet be agile enough to implement that change quickly.

The following illustrates the proposed Bridgend and Vale of Glamorgan council area.

## Proposed Bridgend and Vale of Glamorgan Council



The nature of the areas of Bridgend and the Vale is similar in that both have significant rural areas, small distinct towns and villages, coastal towns and administrative centres and share a heritage coast.

### 6.2 Medium to Long Term Financial Outlook

The two Councils have identified the collective financial challenges in respect of their service and corporate activities.

Councils across Wales have been advised by Welsh Ministers to expect year on year reductions to Aggregate External Finance of up to -4.5%. As such, the savings targets projected in the two councils' existing medium term financial strategies may need to be revised further and could increase. All councils also need to address inescapable budget pressures across the range of services they currently provide as a result of demographic changes and new legislative requirements. In particular, the growth in the demand for and cost of adult social care and continued protection for the education budget has significant financial consequences for both councils. In addition, the resource impact of the Social Services and Wellbeing (Wales) Act and the Housing (Wales) Act has yet to be quantified.

Against that background the Vale of Glamorgan Council's existing strategy forecasts that total recurrent revenue savings of £32.4million are needed between April 2015 and March 2018. For Bridgend the figure for the same period is £38.1million. Beyond 2017-18 as the merger prospectus states public finance prospects are bleak

until “at least the middle of the next decade. This means local authorities will continue to face challenging settlements for several years to come”.

In the event of a merger the two councils will need to ensure that their existing trajectory of service transformation is maintained and developed in an integrated way with a merger to ensure that they are able to deliver the £70.5 million identified in the two MTFs savings plans to 2017/18. The expectation at this stage is that a merger will help the councils to realise these savings, but the Merger Proposal will further examine to what extent and over what timescale.

Each council has reserves set aside to meet specific and unforeseen future liabilities. The potential liabilities associated with implementing a merger between the Vale and Bridgend have not yet been calculated and there is no provision for them in the reserves of either council at this point. Consequently, these will need to be reviewed in the light of a merger.

Any council merger will bring a number of additional financial pressures to those already facing councils. The source of funding to meet the costs of merger has not yet been identified. In particular there could be significant recurrent costs associated with:

- Harmonising Council Tax
- Harmonising terms and conditions of staff (including job evaluation)
- Harmonising spending patterns and service models as necessary
- increased travel costs
- Addressing superannuation variations (Bridgend is a member of the RCT Pension Fund, while the Vale of Glamorgan is a member of the Cardiff and Vale Pension Fund)

In addition there will be transitional costs associated with redundancy/early retirement, ICT integration and accommodation. Funding will also be required to establish a staff resource with the appropriate skills and capacity to develop and implement the merger. A dedicated programme team will be needed for the duration of the project as well as potentially some external support. The importance of this resource to the delivery of a successful merger cannot be overemphasised.

The proper management and mitigation of the risks associated with systems migration will also be of critical importance. Delays in procuring and successfully implementing the ICT infrastructure and key systems will have a significant adverse ‘knock on’ in terms of minimising costs, achieving savings and delivering services.

A merger will present an issue in terms of harmonisation of funding as well as service delivery arrangements. The table below shows the overall spend per head of population, but within this figure there will be variable expenditure on specific services where harmonisation will need to be considered in light of the relative needs both across and within services and areas. This will need to include an analysis of different service standards and delivery models and the financial implications of moving to consistent delivery arrangements for a merged organisation.

	Population (2013 mid-year estimates)	Gross Expenditure 2014-15 (£m)	Gross Expenditure per head of pop'n
Bridgend	140,500	325.4	£2,316.02
Vale of Glamorgan	127,200	285.7	£2,246.07

Many of the cost pressures facing the two councils are similar in nature, arising from increasing costs, legislative changes and demographic growth. Indeed the councils' responses to these pressures involve the consideration and implementation of similar initiatives.

The merger process will provide the opportunity to develop a single approach to tackle the collective challenges across our range of service and corporate activities. One of the key outcomes of this process will be to ensure the New Council establishes a sustainable approach to service delivery through effective demand management and cost control, enabling us to deliver against the primary ambitions set ourselves, for example in the fields of education and social care. It is important to emphasise that the New Council will not only be new in terms of its composition but also in terms of the range of services available and the methods by which they are delivered.

### **6.3 Geo-Economic Profile and the Cardiff Capital Region**

Both Bridgend and the Vale are characterised by significant rural areas. All of the Vale other than Barry, Penarth and Llandough qualify as rural. In Bridgend nearly three-quarters of the county geographically qualifies as rural with only the towns of Bridgend, Maesteg, Porthcawl and Pyle excluded. Both areas have as part of their make-up small distinct towns and villages, coastal towns and administrative centres and they share a heritage coast. Geographically there is a natural continuity between the Vale and the southern part of Bridgend. There are also similarities in the economic structures. Both have strong aerospace sectors but generally the two areas are underpinned by small (employing 10 – 49 people) and micro (employing nine or fewer) businesses. The Vale has 340 of the former and 3,280 of the latter while the respective figures for Bridgend are 370 and 2,660. The rural economy and tourism are important to both areas. Work on clusters undertaken recently by the University of South Wales showed that both Bridgend and the Vale had a concentration relative to the UK average in the Advanced Materials and Manufacturing and Construction sectors.

In terms of labour movements the western end of the Vale has a clear affinity with Bridgend with a significant area, including Llantwit Major, falling within the Bridgend Travel-to-Work area.



Taking wider labour movements there is clear evidence in terms of commuting patterns that Bridgend as well as the Vale are integral to the Cardiff Capital City Region. Bridgend recognises that to a certain degree it is in a 'buffer zone' between South East Wales and South West Wales. However the evidence points towards its natural position of lying within a South East Wales (Cardiff-focused) city region. For example, if one takes the Bridgend town, evidence produced for the Local Development Plan indicated that 42.3% of workers commuted out from the area, with three of the four main travel-to-work destinations being elsewhere in South East Wales. The destination with the greatest number of work-related trips was Cardiff. For Bridgend as a whole the single largest destination for commuting is Cardiff with some 5,800 trips daily (2010 data).

In terms of transport links Bridgend reflects the pattern within the wider South East Wales area. It is bisected by the London Paddington to Swansea main railway line and the M4 motorway both of which provide fast and efficient routes to east and west. The confluence of transportation links within Bridgend are focused on, and influenced by, Cardiff. The main-line station in Bridgend is just 20 minutes from Cardiff Central, which is comparable with some suburban stations within Cardiff itself and gives access to the capital city for towns including Maesteg by train. The corresponding journey to Swansea is slower at 35 minutes. Average car journey times are also quicker to Cardiff than they are to Swansea.

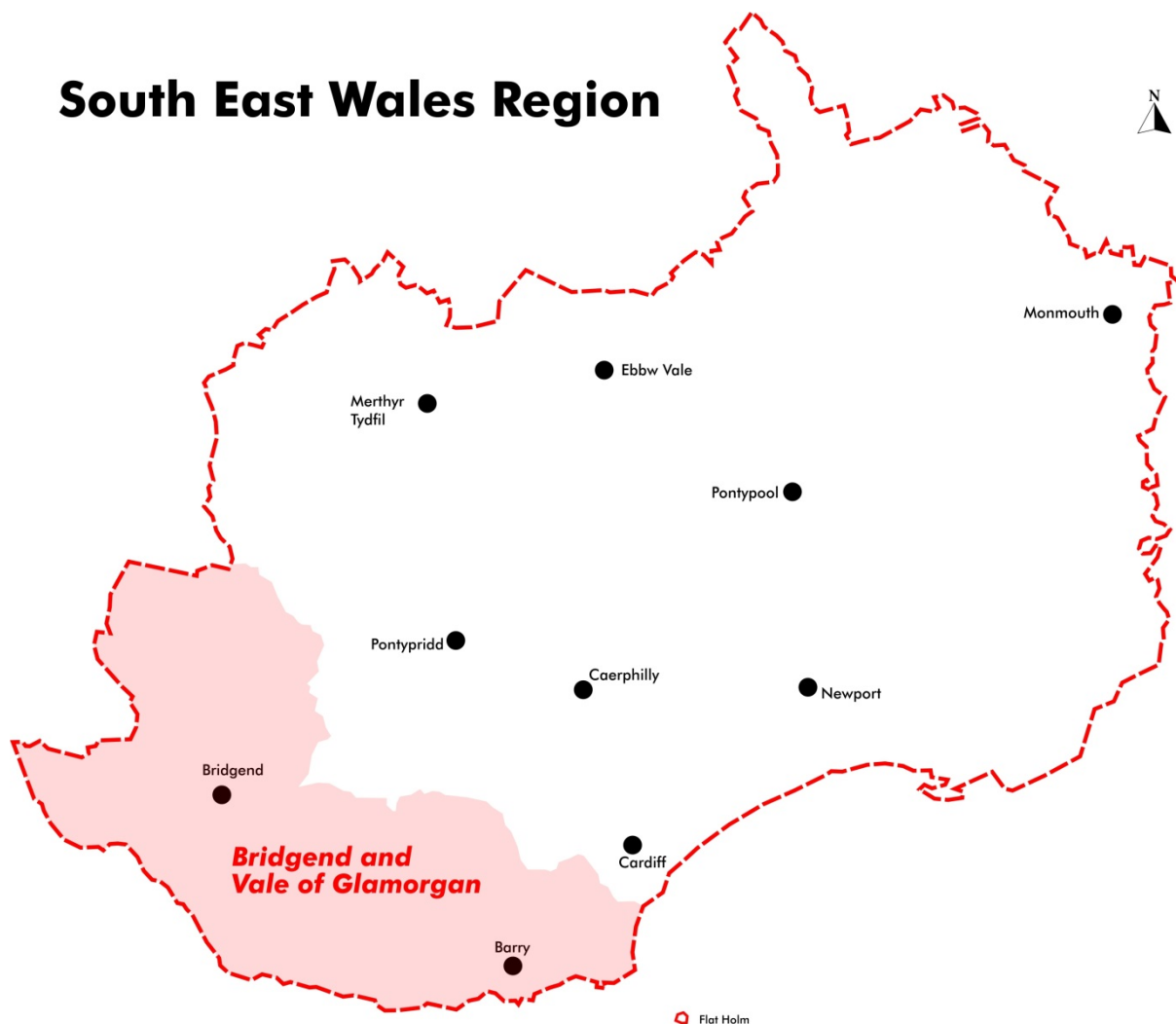
Bridgend's place in the Cardiff Capital Region is also supported by retailing patterns. A comprehensive survey of shopping habits in the County Borough was undertaken to inform the Council's then Unitary Development Plan and revealed that Bridgend was the main centre for share of comparison goods expenditure for residents (30.4%), with Cardiff coming second (21.7%) and Swansea fourth (8.9%). In terms of a secondary expenditure centre (i.e. where would people go as an alternative to their first choice), Cardiff came first (20.7%) and Swansea fourth (12.9%). This evidence points to the fact that Cardiff is the shopping destination of choice for the residents of the County Borough after Bridgend itself. This situation will have been strengthened by the opening of the St David's 2 shopping centre in Cardiff in 2009 (which post-dates the survey referred to).

In terms of collaboration arrangements around the economy, transport and planning - the direction which Bridgend County Borough 'looks' for partnership agreements - the overwhelming evidence is that Bridgend sits within the South East Wales region. Bridgend is a member of the South East Wales Strategic Planning Group (SEWSPG) and South East Wales Regional Housing Forum (SEWRHF). While operative it sat on the South East Wales Economic Forum (SEWEF), the South East Wales Transport Alliance (SEWTA) and the Capital Region Tourism body covering Cardiff and south east Wales. Whilst there are certain linkages between Bridgend and its western neighbours, more recently, for example, it has also been tied in with the South West housing forum equivalent, these tend to be, for the most part, limited and connected to the immediate facilities and opportunities offered in the County Borough of Neath Port Talbot, rather than a sense of any influence being enacted from the city of Swansea itself. It is also recognised that there have been historical links between western parts of the County Borough – Maesteg, Pyle, Kenfig and Cornelly with Port Talbot, particularly related to the steel industry. These links westward still have some force today but are considered to be far outweighed by

contrary evidence which suggests that Bridgend's connections with Cardiff and the rest of South East Wales are stronger and reinforce the view that Bridgend sits within a South East Wales city region. In this context a link with the Vale would constitute a coherent and distinctive building block of the Cardiff Capital Region.

It is clear that the importance of transport, economic development and infrastructure is already being driven forward at a regional level and the Vale merging with Bridgend is not, as a consequence seen as disadvantageous. Indeed, the commonality of issues outlined above between Bridgend and the Vale are viewed as strengths and a key opportunity. The merger of Bridgend and the Vale of Glamorgan provides an opportunity to streamline the city region board with a reduction in the number of partners. It will also provide a stronger voice for the partners within the region and result in more efficient working and more equitable representation of local government with more openness and transparency as a consequence.

The following schematic map illustrates the Cardiff Capital Region following the creation of the New Council, within South East Wales



The map illustrates the central role of the capital city at the hub of the Cardiff Capital Region which would have a total population of 1.481million people, with the population of the Bridgend and Vale of Glamorgan area being 266,000 (18%).

This reflects on the role and status of Bridgend, looking east within the Cardiff Capital Region and not as an authority that is at the fringes looking west towards Swansea Bay. Such an approach will also acknowledge the role of Cardiff as a capital with a significant population and service base.

## **6.4 Service Challenges**

### **6.4.1 Education**

The current Vale and Bridgend Councils have a shared vision for educational excellence where strong schools working cooperatively take responsibility for delivering high standards, encourage all pupils to reach their potential and recognises that the link between poverty and educational attainment needs to be eliminated.

Working together through the Central South Consortium Joint Education Service since 2012, the two authorities have developed a common approach to delivering this vision. Schools across both the two counties are actively involved in the design and delivery of the Central South Challenge through which:

- Schools are communities where joint working is used to improve practice
- Groupings of schools engage in joint practice development
- Where necessary, more intensive partnerships are organised to provide support for schools facing difficulties
- Families and community organisations support the work of schools
- Coordination of the system is provided by school leaders
- Local authorities work together as the conscience of the system

This approach has not been developed in the South West Consortium ERW to date and therefore any alternative merger between Bridgend and authorities further west which resulted in the exit of Bridgend from the Central South Consortium will create disruption for Bridgend schools at a time when the Central South Challenge is becoming embedded and standards in schools are increasing.

The proposed merger will be consistent with the continued development of the consortium. The consortium has seen improved pupil attainment at all key stages in all five authorities this year and is closing the gap between standards in the region and the Wales - Strategies are in place to build on this progress. This proposal will avoid the potential disruption to the development and operation of the consortium and the delivery of school improvement functions that could be caused by the exit of Bridgend to join a different consortium as suggested by the Hill Report. This disruption could impact to some extent on all schools in the consortium if it triggered a major re-structuring of the organisation: it could represent a hiatus in the development of consortium working. If the proposal for the merger of Merthyr Tydfil and RCT councils were to progress, Cardiff Council was to remain in its current boundaries and our proposal is progressed the consortium will comprise three broadly similar-sized authorities with an increasingly common set of policies and procedures. This will provide a good basis for further joint working to further improve educational outcomes.

Additional to the shared values and common consortium arrangement there are very many similarities between the education services in Bridgend and the Vale of Glamorgan. Most strikingly the numbers of children and the numbers of schools are very similar indeed with about 22,000 pupils and just over 60 schools in each authority area. Work will, however, be required to address the differences in the schools funding formulae across the two councils. Both Vale and Bridgend Councils operate similar 6th form provision.

As outlined elsewhere in this document the boundary between the two authorities is already very 'porous' with residents including learners and education staff crossing the boundary on a daily basis. The nature of the border and the ease of travel across the two authorities mean that merger could facilitate effective working including further options for delivering provision and securing partnerships between schools. In addition, few pupils in either authority access further education opportunities in the authorities to the west of Bridgend preferring to access provision in Bridgend, the Vale or in Cardiff.

Both authorities have good arrangements in place for meeting the needs of pupils with additional learning needs and for ensuring that there is a good match between the supply and demand for school places: we have the right schools in the right places. Capital investment in school buildings has been delivered on time and on budget by both councils.

The challenges that are faced by each council are also broadly similar with a need to continue to raise standards and to support schools that require improvement. Both authorities currently have one school requiring significant improvement following inspection and a number of schools (4 in the Vale and 9 in Bridgend) subject to Estyn monitoring. Work to increase the engagement and progression of young people at risk of becoming NEET has been prioritised in both authorities and a common approach, has been implemented effectively to improve school attendance in both areas.

Following Estyn inspections of education services for children and young people in both authorities that judged services to be adequate both Councils have brought a sharp focus to addressing the recommendations in the reports.

The two authorities already collaborate on a number of functions including joint activity by the two youth services such as the earlier sharing of specialist expertise and a joint celebration event attended by young people from both authorities. Similarly a Welsh-speaking education psychologist works across both authorities. This work provides a platform from which specialist services could be developed to be both more resilient and more efficient. It should also be noted that Bridgend has no current education partnerships with authorities to its west and that following the Vale's reduction in funding to the music service the only education partnerships to the east are those delivered through the consortium and the Cardiff and Vale Adult and Community Learning partnership.

## 6.4.2 Communities and Housing

The strategic direction and the local challenges faced by the existing councils are similar. Both areas have rural and urban areas with specific 'housing need' challenges associated with them. When considering the housing market across the areas, similarities occur in terms of housing composition with very similar levels of owner occupation, social housing rental and private rental levels. This information is used to inform strategic planning in terms of housing, planning policy and regeneration for both local authorities.

In respect of the overall approach to housing, the priorities, in broad terms are very similar working with common strategic objectives.

There is a need to respond to the challenges of low household income, welfare benefit changes and a lack of good quality affordable housing which are creating 'a perfect storm' in both areas.

Although standards within the social housing sector are being driven up through the requirement to meet the Welsh Housing Quality Standard, finding ways to improve standards within the private sector remains a key aim for both councils. Both councils recognise that improving homes alone is not enough and improvements should be coupled with enhancing neighbourhoods to support wider regeneration aspirations.

There is a commitment to ensuring housing, housing advice and support is readily available and accessible to all. The first Wales Housing Act creates opportunities and additional responsibilities. Preventing homelessness and delivering the additional duties associated with the Act may be tackled more robustly with a shared response.

An increase in the number of older people in both regions is recognised. Planning for the emerging and changing housing needs of older people is a shared objective as is the development of robust strategic plans and associated partnerships working arrangements, such as those led by the councils' Strategy and Enabling teams. More resilience could be achieved in terms of tackling the key strategic priorities across the region if the teams came together.

Rural housing need is also an issue for both councils. The challenges associated with satisfying housing needs in rural parts of both areas is clear: a mismatch in terms of the types and tenure of available housing, local people priced out of the local housing market and the availability of and price for land. For example, the Vale of Glamorgan, with support from its registered social landlord partners and Welsh Government, has invested in a Rural Housing Enabler post to facilitate affordable housing development in the rural part of the Vale. Successful new build affordable housing coupled with local letting agreements has resulted in good quality affordable housing in rural areas for local families and individuals. A shared approach to land use and affordable housing enabling work within the rural parts of the both areas will bring benefits to local people in terms of housing and more generally the sustainability of local economies and communities.

Identifying the benefits of tackling housing issues regionally has already been recognised through the Regulatory Services collaboration, for example, the problems associated with long term private sector empty homes management and enforcement will be dealt with through partnership. Indeed this collaboration provides an excellent example of how the councils, by working together, can transform services through the adoption of a new operating model, facilitated by ICT and different working practices.

Opportunities to transform the approach to housing will be presented by the proposed merger of the two councils. Bridgend transferred its housing stock which is now managed by a housing association, Valleys to Coast, whilst the Vale of Glamorgan council has retained its housing stock. This diversity in provision is an ideal opportunity to trial different approaches and share learning in this area.

The community safety functions in both councils recognise the links between good neighbourhood management, crime and disorder and anti-social behaviour. A combined community safety team serving both areas will represent a positive step in terms of prevention, and working closely with the police, there is the potential to provide cost savings and improved service resilience. This will be facilitated greatly as Bridgend and the Vale of Glamorgan are in the same Police Basic Command Unit (BCU).

### **6.4.3 Environment**

Significant parts of the new authority area will be rural in nature. In this regard, the authority will have an important role in protecting, maintaining and enhancing natural assets, such as important landscapes, good quality agricultural land, the heritage and undeveloped coast along with areas of acknowledged ecological importance and significance. This role is not to be understated in the wider context of the need to attract growth and investment in the Cardiff Capital Region as well as the need to promote sustainable growth within the merged authority area. Such a challenge is very much aligned with the policy of Welsh Government to promote the sustainable use of land and to ensure that interests of acknowledged importance, such as biodiversity and heritage are protected. The proposed merger therefore clearly recognises the strategic role of the merged authorities as the 'green lung' of the Cardiff Capital Region offering opportunities for leisure, activity and recreation, alongside preservation and enhancement of assets. Both councils' Local Development Plans seek to promote appropriate sustainable development opportunities whilst recognising the need to preserve and maintain the best natural assets for future generations.

Another key environmental issue relates to transport, and the geo-economic profile above clearly demonstrates the characteristics of both authorities within the Cardiff Capital Region, in relation to commuting patterns, congestion and the need to promote sustainable transport measures to provide access to jobs and services by means other than the private car. The characteristics of the proposed merged area and its 'fit' within the city region as shown on the schematic maps, illustrate that preparing Local Transport Plans, meeting the Active Travel requirements and dealing with congestion and accessibility will be an important challenge.

Challenging budget settlements for both councils will inevitably reduce the future funding available for front-line services such as parks and grounds maintenance, highways and waste services, impacting directly on the local environment. An end to the funding available for highway improvements via the Local Government Borrowing Initiative (LGBI) in 2015 will also place a significant strain on both councils in respect to the future upkeep of our highway networks. The Flood and Water Management Act continues to place increased demands on drainage and coastal management staff and this is also impacted upon by climate change.

Meeting Welsh Government (WG) landfill diversion and recycling targets constitutes a major risk for both the Vale and Bridgend in the medium to longer term. There are operational differences between the councils, for example, Bridgend has adopted the Welsh Government's 'blueprint' for source segregated collections, whereas the Vale has not. The risk of either council not meeting future targets is similar, but the Vale of Glamorgan has the added risk of having to prove that the current co-mingled collection method meets Welsh Government's requirements going forward. There is a significant opportunity for both councils to work together on this. Currently all recycling and residual waste collections in Bridgend are contracted out, whereas the Vale of Glamorgan council's collection services are all delivered in house.

This situation demonstrates the potential the merger presents to practically evaluate alternative ways of working, with the most advantageous approach being adopted, rather than the most common, due to the similarity in size of the organisations. For instance, it is likely that future recycling performance will be driven, to a large degree, by changes in residual waste collection arrangements and such changes are likely to be iterative. Flexibility and control of the residual waste collection processes will therefore be key, and this could be assisted by providing residual waste collections across the footprint in-house, whilst contracting out all recycling arrangements along the lines of the Welsh Government 'blueprint'.

Environmental challenges such as ensuring business continuity during periods of severe weather are likely to increase and combining the civil contingency sections from the respective councils will assist in providing greater resilience and a more coordinated response to weather emergencies spanning across the areas.

#### **6.4.4 Social Care**

The population trends in each area are similar, especially with regards to the increase in number of people aged 65 or over. According to the latest population projections available on InfoBase Cymru (at November 2014), the population of Bridgend is expected to rise steadily to a total of 151,023 residents in the year 2036. This is a 6.7% increase from June 2013. It is predicted that the number of people aged 65 or over will rise from approximately 26,701 in 2013 to 41,535 by 2036. In the Vale of Glamorgan, it is predicted that there will be an increase of 4.6% in population between 2013 and 2036. This is largely attributable to a continued growth in life expectancy and an increase in the number of people living longer. It is predicted that the number of people aged 65 and over will increase by 53.8% between 2013 and 2036.

There are a series of significant challenges facing the New Council in this area, including:

- Increased demands for social care, in particular demand for more complex care at home
- Impact of the Social Services and Wellbeing (Wales) Act 2014
- Financial consequences of case law in respect of Deprivation of Liberty Services.

Across both councils, most of the factors which support effective service delivery in both adults' and children's social services are in good order. These include a relatively stable and well qualified workforce, good corporate and political support for social services, strong leadership within social services, effective resource management, good performance management, greater emphasis on commissioning and contracting, and substantial partnership activity at both strategic and operational levels. However, in the face of reducing resources, it is becoming increasingly difficult to ensure sufficient resilience and proper management of risk. A merged authority will help social services to address the considerable challenges that lie ahead.

Increasing demand and reducing resources do mean that many services are under pressure. These include services that the Council provides directly (such as children's placements and family support), those made available through external providers (such as specialist nursing home placements), and services provided by partner organisations (such as child and adolescent mental health services). There are plans in place to tackle these service gaps and good progress has been made but the challenges will persist. Overall performance is acknowledged by CSSIW to be good, although measured against National Strategic Indicators (NSIs), performance indicators show some variability in the performance of the current councils.

Services to safeguard vulnerable children and adults are performing well. Measures to improve the experience of service users and carers and to produce better outcomes include, for example, work to deliver the children's services commissioning strategy. The extension of reablement services for older people through more integrated working with Health Boards has been evaluated as increasing opportunities for restoring independence. Wherever possible, both councils have responded to pressures from increasing demand for services and from budget cuts by taking steps to modernise services and to make them more responsive.

Meeting these challenges means working hard with other parts of the local authority, NHS colleagues, third sector partners and independent providers of care to overcome the barriers to 'joined up' working and to develop the right range and quality of services as key priorities. These programmes of collaborative working and service redesign across both councils are gathering pace, with more and more staff working in posts and in teams which are shared with the NHS, with other councils or with voluntary organisations. Both councils recognise the challenges of integration, especially with regard to community health and social care, while remaining strong in their leadership of a number of strategic collaborations and will look to share good practice.



Proportionate levels of spending on social services against overall council expenditure have been maintained. However, there are significant pressures on social services to remain within the budget set and a requirement to make further efficiency savings over the next three years. This challenge is being managed well within rigorous budget programmes and robust financial plans. Through service transformation and effective resource management, it has been possible to achieve savings targets in recent years. Wherever possible, to respond to pressures from increasing demand for services and from budget cuts, steps have been taken to modernise services and to make them more responsive.

The programmes of work undertaken in the Vale and Bridgend and in collaborative enterprises, such as the South East Wales Improvement Collaborative (SEWIC), place the councils in a good position to respond positively to the increased emphasis on new service models. The approaches taken across the two current local authority areas are very congruent and they will benefit from implementation on a wider scale, especially when commissioning from social care providers. Wherever possible, the councils have been in the forefront of efforts to reshape the range of social care services available, based upon agreed principles and models which:

- emphasise promoting preventative services which divert people from inappropriate and higher cost provision, manage demand at lower levels of intensity/intrusiveness and which can be accessed without complex assessments;
- are underpinned by the concepts which service users and others believe are necessary to underpin a dignified life– independence, choice and control, wellbeing, social inclusion.

An initial exercise undertaken to examine the degree to which non-residential adult social care services align across the two local authority areas has been undertaken as this has a major impact upon social services budgets. Despite differing applications in the use of the eligibility framework laid down by the Welsh Government, there is significant alignment between the two systems. When the Social Services and Wellbeing (Wales) Act 2014 is implemented all local authorities will have to adopt the same national eligibility criteria. There are significant challenges in reconciling access arrangements but the assessment, care planning and service models are similar in both councils.

#### **6.4.5 Regeneration**

Rural Regeneration activity in both councils has been focused on delivering sustainable rural regeneration projects through the Rural Development Plans to ensure sustainability of rural communities, securing local employment and access to services. The characteristics of both councils and the 'rural' nature of significant parts of both council areas indicates that rural regeneration activity can be taken forward in confidence in an efficient manner. Working to secure regeneration within the key urban areas will also be a major challenge for the New Council. In the Vale of Glamorgan the designation of Barry as a Regeneration Area in 2010 has resulted in significant regeneration activity with key projects taken forward within the town centre, on housing renewal and more recently on Barry Island. Bridgend has been

awarded funding under the Welsh Government's Vibrant and Viable Places programme and Barry is benefitting from Tackling Poverty funding to take forward initiatives within the town. Alongside this, initiatives are being taken forward as part of the Communities First programme and work progresses with the private sector in taking forward key strategic and local sites, which add considerable value to on-going public funded regeneration initiatives.

Attracting new investment and new sources of funding will be vital for the New Council, and there will be opportunities to focus on attracting new investment as a result of the economies of scale of working as a single authority.

Another key aspect of work includes working with Welsh Government to promote the St Athan and Cardiff Airport Enterprise Zone to attract investment and jobs. In the same way key strategic employment sites will be promoted in order to bring new investment to the wider Cardiff Capital Region.

Such activity is again vital in taking forward the area within the city region, and given the commonality of issues as a consequence of the economic characteristics of the region and the role of Cardiff as a destination for shopping and investment, the proposed merger is both sensible and practical.

Challenges identified for the New Council with regards economic regeneration include:

- Developing and maintaining regeneration opportunities within both the urban and rural parts of the area, with particular emphasis on coastal opportunities and tourism.
- Supporting and sustaining town centres in order to provide sources of employment and access to goods and services for the local population.
- Working with private developers and investors to bring forward new jobs, economic activity, facilities and housing.
- Working to improve the existing housing stock in terms of quality of accommodation and energy efficiency.
- Supporting the Welsh Government in taking forward the St Athan and Cardiff Airport Enterprise Zone.
- Working with the Cardiff Capital Region Board in making the city region a success.
- Developing a sustainable transport offer that serves communities and provides strategic links both within the area and beyond with Cardiff at the hub.

#### **6.4.6 Corporate Services**

A number of the challenges facing corporate services have been picked up earlier in the document and include the following:

- Developing alternative forms of service delivery that mitigate the impact of cuts to services and redefining the relationship the New Council will have with its citizens
- Developing the capacity and capability of the workforce

- Addressing transitional issues associated with changes to pay and grades, council tax and ICT resulting from a merger
- Implementing a single performance and project management culture in order to achieve the above.

## **7. Welsh Government Support for Merger**

The councils recognise that the opportunity afforded by the merger process is very significant. The support of Welsh Government will be essential to establish the New Council and enable it to meet its vision and the councils welcome discussions as to how a package of support could be tailored to support the development and potential delivery of the proposal to merge Bridgend and Vale of Glamorgan councils.

There are no funds in baseline budgets or council reserves to meet the recurrent or one off costs of merger which have yet to be calculated but are deemed to be significant at this point and are outlined in section 6.2 above. Legislation will also be required to enable the transfer of staff, assets and contractual liabilities.

Like the Welsh Government, councils do not have a financial settlement beyond 2015-16 and against that background this Expression of Interest is caveated by the need for the costs (recurrent and transitional) of merger to be funded and this will be further examined in the Merger Proposal.

Should this expression of interest be approved, the councils will seek to work with Welsh Government to develop a full Merger Proposal. In doing so, the councils will also be informing the development of the merger process at an all-Wales level. As such, assurances will be required that the councils will be in no less advantageous a position with regard to funding as those local authorities who will be subject to compulsory mergers.

The support required to develop the Merger Proposal will include specialist advice within Welsh Government and other institutions. This could include access to a single point of contact for the merger in order to provide a direct link between the organisations. Provision of a Project Manager independent of the organisations involved could also be of assistance.

External professional and specialist advice will be required to develop an operating model and the Merger Proposal. It will be helpful if Welsh Government could provide funding to support this. In addition, funding for the increased internal capacity required to draft the proposal and deliver the change will need to be identified.

Regular meetings with Welsh Government colleagues will be essential to discuss and learn from issues being experienced by other local authorities going through the merger process and which may pose particular challenges. Regular meetings with colleagues in such councils could also be facilitated to enable shared learning.

Examples of issues that could be considered at meetings will be the process of harmonisation of terms and conditions and, in particular the setting up of arrangements to mitigate concerns and vulnerabilities of equal pay. It will be important that the transformation agenda is not distracted or delayed by the cost and volume of equal pay litigation as experienced across Wales over the last ten years.

It will also be important that Welsh Government's support is gained in taking a realistic and practical approach to the implementation and interpretation of existing and new employment codes and regulations.

It is anticipated that the opportunity to explore the above issues and manage some of the challenges will be pursued through the work of the Staff Commission. Officers from Bridgend and the Vale Councils are keen to provide support to the Staff Commission as part of the developing merger process and play an active role in contributing to the developing national agenda.

Further freedoms, for example through a general power of competence, would enable the New Council to respond effectively to the needs of the community and partners. Removal of barriers during any subsequent transition process will provide practical assistance in the creation of the New Council. This could include flexibility in the measurement of any potential cross-subsidy between the two councils. The cooperation of regulators will also assist. A tailored regime of inspections, for example the deferring of any corporate assessments, will be facilitated by the existing good performance of the councils which present no current concerns to regulatory bodies. Should any merger proceed, changes to some existing arrangements that are currently organised on a regional 'footprint' basis may need to be amended to assist the process, for example some grant streams.

## **8. The Approach to Change and Transition**

The previous sections outline the vision for the New Council, along with an outline of the opportunities afforded by the proposed voluntary merger and profile and challenges facing the existing authorities.

This section concentrates on the process of change and transition based on the issues considered by the councils on how this substantial process will be approached to establish the New Council. Support from Welsh Government will be crucial in developing a Merger Proposal and in any future implementation.

An assessment of the main enablers and obstacles to delivering the vision for the New Council has been made, considering the enabling circumstances that exist and challenges to address in a number of key areas.

In considering the wider process of change and transition, the councils have identified the relationship between complexity and the potential benefits associated with the merger process as a way of planning for and prioritising any future merger activity and how this contributes to the opportunity to deliver wide ranging transformational change. Details as to how the councils will approach developing the formal Merger Proposal are also provided below.

### **8.1 Enabling Circumstances and Challenges to Address**

The councils are aware that the merger process to create the New Council will involve significant and complex challenges. Some of these challenges are inherent in the process of merging any public bodies whilst some will be specific to Bridgend and Vale of Glamorgan councils and how specific services are delivered.

The following provides an initial assessment of the current position for Bridgend and the Vale of Glamorgan councils highlighting, for a range of areas, where enabling circumstances will assist the councils, and identifies areas of challenge that will need to be addressed as part of any merger process. As described throughout this expression of interest, there are many enabling circumstances that will support the development of a merger between the two councils. However, there are significant challenges to address that cannot be underestimated.

#### **8.1.1 Political and Scrutiny Structures and Processes**

The councils are similar in terms of elected members and structures. For example, both councils have Cabinets comprising seven Members. Similarly, both councils have five Scrutiny Committees.

In line with the Welsh Government's proposed time line for introducing voluntary mergers, the councils will establish a single Cabinet to run the New Council, providing an opportunity to reduce the overall recurring costs of Cabinet Member allowances. Similarly, there will be a reduction in the overall number of Scrutiny Committees (and associated Special Responsibility Allowances for Chairmen). There are support structures in place for political and scrutiny processes in both

existing councils and again there is potential for rationalisation in this area in line with the overall reduction in number of committees (e.g. Planning and Licensing). The process for reorganising the workings of Cabinet and scrutiny processes could be achieved with minimal complexity as both councils have made changes to the portfolios and operations of these committees in recent years to reflect organisational, legislative and other changes and will anticipate continuing to do so. Whilst there are some differences in detail, the two councils' overall Council Constitutions are, broadly similar.

Both councils demonstrate the importance and culture of support to elected members both through the operation of the Democratic Services Committees but also in a cultural and practical way in the actual support for development of Members in both councils. The advantages of a joint approach to Member Development will be utilised to build on the current councils' comprehensive suite of member development opportunities which are provided in accordance with the requirements of the Local Government (Wales) Measure 2011. Elements of this include the provision of support for webcasting, personal development reviews and Elected Member Annual Reports. Officers from both councils regularly meet as part of the All-Wales Member Support Officer network where they take a very active role. Both councils actively support the development of their elected members and have held the WLGA Charter for Member Support and Development.

Officers involved in the areas of Democratic Services, Scrutiny and Member Support are already well-known to each other and have worked together on various specific projects. Examples include the drawing up of intended joint scrutiny arrangements in relation to the Central South Education Consortium. (However, the Consortium arrangements were subsequently aborted by Welsh Government and new governance arrangements introduced). Officers were also involved in preparing for potential joint scrutiny in respect of the Regulatory Services Collaborative Project.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Both current councils operate the Cabinet and Leader system with similar Overview and Scrutiny and Committee systems.</li> <li>• The culture of the two current councils is very similar in terms of the working practice between political and officer structures.</li> <li>• Well established scrutiny processes.</li> <li>• Both councils have developed schemes of delegation.</li> <li>• Strong, well established working relationships.</li> <li>• Similar Constitutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolio composition for Cabinet Members and associated scrutiny committees reflects the current local arrangements in each council.</li> <li>• Consideration will be required as to the most appropriate way to allocate the responsibility for services in a Cabinet for the New Council.</li> </ul>

### 8.1.2 Staff Structures

There are about 6,700 employees currently working for Bridgend and 5,300 working for the Vale of Glamorgan. Every employee will be affected by a merger of the two councils in some way. The most obvious will be the need to harmonise the pay and grading structure of the two councils as well as terms and conditions. Both councils have recently completed job evaluation exercises. This process will need to be undertaken again to ensure the employees of the New Council are remunerated on the same basis and to mitigate the risk to the New Council of equal pay claims.

Potential staff savings from a merger will be found predominantly at a senior manager level. The councils have responded well to the changing demands placed upon them by reviewing senior management arrangements in recent years. Both councils have streamlined their senior management structure in order to deliver recurring financial savings and ensure appropriate spans of control over council services.

The councils currently operate corporate management teams chaired by the Head of Paid Service. A Chief Executive undertakes this role in Bridgend. The Vale of Glamorgan is currently managed by a Managing Director who also undertakes the role of Director of Corporate Resources.

The current senior management teams (and heads of service reporting to them) have good working relationships which have developed over a number of years through collaboration directly between the councils and also by their participation in other regional initiatives.

There are certain differences in service responsibility at Director level and in particular the split between children and adult social care in Bridgend (as opposed to the integrated provision in the Vale). There is, however a strong underlying culture of accountability for both strategic and operational performance of services reporting to each director and a similarity in the overall size of each authority's senior management structure. This is particularly the case in terms of the overall numbers of service leads/group managers which will help ease and quicken the process of structural alignment in all service areas.

<b>Post(s)</b>	<b>Bridgend</b>	<b>Vale</b>
Chief Executive/Managing Director	1	1
Corporate Directors/Assistant Chief Executive	5	4
Heads of Service	8	12
Operational/Group Managers	30	27

The small number of corporate directors sitting on the senior management teams in each council provides the ideal environment for discussion, challenge and debate which contributes to a strong "corporate" ethos and assists in ensuring policies can be implemented efficiently and effectively. The councils will seek to build on this approach to organisational structure as the foundation for developing the new senior leadership team of a combined authority.



The Bridgend and Vale Partnership board, co-chaired by the Heads of Paid Service, has demonstrated the ability to jointly deliver projects such as the establishment of the shared internal audit service and introduction of a joint civil parking enforcement team.

The merger of the two organisations offers the opportunity to review the number of corporate directors and their direct reports, building on the experience of each council in identifying the optimum configuration of services to achieve the overall vision and objectives for the New Council. There is clearly the opportunity to deliver recurring financial savings associated with these changes.

The development of the new senior leadership team for the New Council will be undertaken as early as the process allows to ensure that strong leadership will be in place for managing both the transition to the New Council and the immediate demands placed upon it. The prospectus gives a date of 1 April 2017 for a new senior team management structure to be in place.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Recent streamlining of corporate management structures.</li> <li>• Excellent relationships through existing collaborations.</li> <li>• Similarity of size of senior management team and opportunities for alignment.</li> <li>• Similarity in approach to accountability and performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Differences in service configurations.</li> <li>• Harmonisation of pay, grading and terms and conditions structures.</li> <li>• Different HR policies.</li> <li>• Additional travel costs.</li> <li>• Different pension schemes.</li> </ul>

### 8.1.3 Financial and Budget Structures

The councils follow a broadly similar process for the setting of annual budgets and medium term financial planning. Whilst much of the process is dictated by statutory timescales, the practice of consulting on and challenging proposals for the councils' budgets are undertaken in similar ways.

As part of the transition process to the New Council, it is proposed that the delivery of the councils' corporate savings strategies will be tackled on an increasingly joint basis. Doing so will be a challenge but also offers the opportunity to share experiences and adopt converging processes in the run up to the New Council becoming established. The councils have similar approaches to the use of management information to inform decision making and this will assist in convergence activities, albeit they operate different financial and human resource systems.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Very similar process of consulting on</li> </ul>	<ul style="list-style-type: none"> <li>• Different finance and performance</li> </ul>

<p>and setting budgets and medium term financial plans.</p> <ul style="list-style-type: none"> <li>• Similarity of medium term financial savings initiatives.</li> <li>• Degree of financial and management information available to inform decision making.</li> </ul>	<p>systems.</p> <ul style="list-style-type: none"> <li>• Aligning and pooling budgets.</li> <li>• Need to harmonise council tax.</li> <li>• Different financial policies (e.g. Treasury Management, debt management, schools' management)</li> <li>• Different banking contracts.</li> </ul>
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#### 8.1.4 Working Relationships and Practices with the Public and Partners

Collaborative working is integral to the working practices of both Bridgend and Vale of Glamorgan councils and has been for some time. A Memorandum of Understanding has existed since 2011 to govern collaborations between the two councils, with successful joint operations in place for a number of services. This includes the existing arrangements for joint Regulatory Services, a joint internal audit service, CCTV and civil parking.

On a regional level, both councils are members of a range of collaborative arrangements, for example, the Central South Wales Joint Education Service, the Welsh Purchasing Consortium, the South East Wales Regional Partnership Board (transport) and Glamorgan Archives. The Armed Forces Community Covenant is also operational in both areas. Both councils play the lead role in each area's long standing LSB and both LSBs have well-regarded Single Integrated Plans. Crucially, both councils are members of the Cardiff Capital Region.

There is an opportunity to use the councils' extensive and practical experience in joint delivery to smooth the transition to the New Council, with elected members and officers having experience of successfully working together and with other partners.

Currently separate LSBs exist for the Vale and Bridgend. Consideration will need to be given regarding future LSB arrangements, based on the single vision for the new area. These arrangements would also take account of the requirements of the Wellbeing of Future Generations Bill.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Experience of collaborative working.</li> <li>• Existing Memorandum of Understanding</li> <li>• Existing successful joint operations for a number of services.</li> <li>• Opportunity to use experience in joint delivery to smooth the transition to the New Council, with</li> <li>• Elected members' and officers' experience of successfully working together.</li> </ul>	<ul style="list-style-type: none"> <li>• LSB arrangements.</li> </ul>

### 8.1.5 Internal Systems and Processes, including ICT

The Annual Improvement Reports on the two councils indicate the soundness of internal systems and processes.

Bridgend: “Despite significant financial challenges, the Council is ensuring it has sound plans for improvement. The Council is likely to make appropriate arrangements to secure continuous improvement for 2014-15”.

Vale of Glamorgan: “The Council has effective plans for managing the financial challenges it faces and has developed a plan intended to prepare its workforce for the future. The Council generally has strengths in driving improvement across most services and responds positively to challenge”.

Each council utilises process improvement techniques and these have been used to drive improvement projects involving process change and the use of ICT, for example in the use of mobile working or in streamlining customer contact.

The councils also operate a shared internal audit service which has led to the sharing of best practice in the internal systems of both councils.

The ICT systems in use in each authority differ, including corporate services such as Human Resources, Finance and payroll. This is highly likely to be the case for any merger and offers the opportunity to appraise the best ICT infrastructure to support the New Council. This will include consideration of how ICT can support transformational change, for example in agile working. However, there will clearly be costs associated with ICT systems and in the time and resources required to manage the complexity of the transformational changes and transition processes.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Sound internal process environment.</li> <li>• Shared internal audit service.</li> <li>• Experience of driving process improvement as part of change programmes, harnessing the use of ICT.</li> </ul>	<ul style="list-style-type: none"> <li>• Different ICT systems across a range of services inc. contractors and licences.</li> <li>• Transformation of processes.</li> <li>• Staff training requirement.</li> <li>• Data migration and protection issues.</li> <li>• Different IT policies and practices</li> <li>• Different hardware arrangements</li> </ul>

### 8.1.6 Assets, Contracts and Estates

Bridgend and Vale of Glamorgan councils are pursuing strategic reviews of property assets with the aim of reducing office accommodation, facilitated by greater use of ICT and maximising rental income generation opportunities. Consideration will be

required as to the property portfolio of the New Council. This will include decisions regarding the location of offices for local service delivery as well as the potential effects on local areas in addition to the need to deliver savings.

The councils are supportive members of the National Procurement Service (NPS) and with the enhancement of the contracts managed by this organisation an increasing amount of common and repetitive expenditure will be placed through the NPS.

Agreement and drafting of contract standing orders/ financial regulations will be required for the New Council. This process will be greatly assisted by the work done at a national level on the new Welsh model constitution.

Legislative support will be required to ensure a smooth transition from current authorities to the New Council in terms of the ownership of assets and the operation of contracts and the estate portfolio. It would be necessary for legislation to be implemented in respect of all mergers, voluntary and otherwise to affect the transfer of property and contract to the New Councils.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Existing strategic property reviews.</li> <li>• Membership of the National of Procurement Service and Welsh Purchasing Consortium.</li> <li>• National work on council constitutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Legislation regarding the ownership of assets, the operation of contracts and the estate portfolio.</li> <li>• Need for contract novation</li> <li>• Different facilities management/energy management policies and procedures</li> </ul>

### **8.1.7 Service Delivery Policies, including accessibility, eligibility and charging policies**

Transformational change programmes in each council are underpinned by a commitment to appraising alternative forms of service delivery. The similarity in organisational maturity in this regard is a key enabler to change and places the councils in a strong position to deliver transformational change to services. The experiences of each partner will enhance the development of the Merger Proposal.

Public accessibility could theoretically encompass a large range of issues, central to it is the ease with which the public can interact with the council. In this respect the two councils share a great deal of alignment and synergy. Both have approaches to customer relations which feature a single phone number as a first point of contact for all council services and a contact centre using Customer Relationship Management (CRM) software. Both councils have strategies which encourage “channel shift” by customers from conventional means to web self-service, thereby improving the

service and also maximising efficiencies. This alignment will make it comparatively straightforward for the New Council to merge approaches and practices.

There are differences in operational policies in some areas, for example the eligibility criteria for social services. Consideration will be required as to the level at which this will be set in the New Council however this will be required for any merger.

Consideration of charging policies and harmonisation will be required and the financial implications of doing so carefully assessed as part of the development of the Merger Proposal.

Enabling Circumstances	Challenges to Address
<ul style="list-style-type: none"> <li>• Existing transformational change programmes.</li> <li>• Appraisal of alternative forms of service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>• Some differences in operational policies in some areas, for example social care criteria.</li> <li>• Different charging policies</li> </ul>

## 8.2 The Approach to Change and Transition: Complexity and Merger Benefits

The Councils recognise the need to plan effectively for the merger of the two organisations and that in doing so the transition process to the New Council will provide clear direction for elected members and staff and clarity for service users. This approach will build on best practice, including the guidance published by the Welsh Government and others such as Audit Scotland and reinforces the need for early support to be given for the proposed merger in order that the maximum time possible can be provided for the transition process.

Consideration will be given to how the significant challenge of transitioning from separate organisations to a single body will be approached. This expression of interest demonstrates both councils' commitment to the process of merger. It is clear, however, that the scale of the exercise will require careful prioritisation and planning.

In this regard, consideration has been given to the relationship between the extent and scale of change that will need to be delivered and the potential benefit to be delivered from the merger process as a way of planning and prioritising merger activities.

### Complexity

Complexity is affected by how similar or different the councils currently are from one another and from the vision of the New Council, in addition to the existence of any known barriers to change and the scale of the challenges facing services. There is a clear correlation between complexity and the time and cost required to deliver change and any associated savings resulting from it. There will be significant costs associated with merger process as outlined in the preceding section.

The councils do not underestimate the complexity of this change despite their similarities. Much of this complexity will exist regardless of whichever councils merge, for example in the need for legislation to enable the merger to be enacted and for the transfer of property assets and contracts. There will also be complexity associated with the need to harmonise changes to terms and conditions and harmonisation of council tax. All of these issues will apply regardless of which authorities merge and will need Welsh Government support to achieve. The timescale to deliver change will also be impacted by the legislative timetable and available support for the authority.

## **Merger Benefits**

The potential to derive benefits from the merger in terms of improved services and one-off and recurring savings will be affected by the extent and complexity of the change required; the greater the complexity and extent of the change, the greater the likely associated cost. This will be influenced by the existing collaborations between the two councils and the ability to rationalise structures, systems, processes, access channels in addition to the ability to adopt best practice.

Merger will inevitably provide overall savings in certain areas, for example through the reduction of elected member allowances paid, the number of senior managers and the anticipated reduction in overall staffing. In addition, the coordination in execution of the councils' change programmes will likely identify common themes (for example the replacement of ICT systems) and there could be potential to deliver savings through economies of scale and collective procurement. There is potential, too, to begin to deliver savings from the merger in working together to deliver initiatives contained in the councils' medium term financial strategies.

It is anticipated that benefits could be derived financially and in terms of future performance from the adoption of best practice from each of the existing councils, rather than the adoption of the most common practice, made possible due to the similarity in size of the two existing councils.

Benefits in non-financial terms will also be possible resulting from a merger. These include the opportunity to fundamentally revisit the way in which the council operates with citizens and partners to improve outcomes. Opportunities to innovate, for example through changed working practices or alternative delivery methods, will also exist and could be harnessed with greater pace and scale than the councils could achieve individually. This change should result in some cost reduction.

However, it is vitally important to recognise that each council's budget will have been significantly reduced by the time the merger will have taken effect. As such, the financial benefits available from the merger process will be limited by the savings already made. It is envisaged that in some areas that otherwise would not be viable, the merger will provide an element of resilience. However, with the scale of budget reductions being faced, the merger alone will not prevent cuts in service levels being made in all areas. The benefits of the potential merger will clearly be impacted by the significant costs associated with establishing the New Council as outlined previously. There is, too, an obvious need to identify funding to support the delivery of any merger.

## Considering Complexity and Benefits

In order to prioritise and plan activity arising from the process of change and transition, the councils have considered the relationship between the extent and complexity of the change required and potential benefits to be derived from the merger as described above on two continuums as follows:

<b>Benefits from Merger</b>	<b>Higher</b>	<b>Early Wins</b> <ul style="list-style-type: none"> <li>• Development of new Joint Services (e.g. Regulatory Services, CCTV)</li> <li>• Shared management posts</li> <li>• Joint planning (e.g. financial, change programmes, organisational design)</li> </ul>	<b>Transformational Change</b> <ul style="list-style-type: none"> <li>• Alternative Delivery Models (e.g. co-production, mutuals, externalisation)</li> <li>• Integrated working with partners (e.g. Social Care and Health Pathways)</li> <li>• ICT and working practices</li> </ul>
	<b>Lower</b>	<b>Alignment</b> <ul style="list-style-type: none"> <li>• Alignment of existing services (e.g. Electoral Registration, Democratic Services, Planning)</li> </ul>	<b>Evolution</b> <ul style="list-style-type: none"> <li>• Policies and Procedures</li> <li>• Terms and Conditions</li> <li>• Council Tax harmonisation</li> </ul>
		<b>Extent and Complexity of Change</b>	
		Lower	Higher

This approach provides a framework in which to consider the different activities the merger process will require to be undertaken.

Creating the New Council offers the potential to deliver transformational change as well as developing alternative ways of delivering services. The extent and complexity of the change is high with the opportunity to deliver significant benefits to service users.

The merger provides an opportunity to accrue benefits more quickly in areas requiring less complex or less wide-ranging change. Building on existing collaborative endeavours, for example in internal audit, these projects will also be used to learn lessons that will inform future or more complex projects. These “early wins” will bring additional benefits of visibly demonstrating to service users, staff and partners how the New Council will operate and be distinct from the two current councils in its approach. Also included in these “early wins” will be preparatory work to support the New Council. An early proposal is to jointly consider the medium term

financial plans and change programme activities of both councils in order to ensure compatibility, convergence and joint delivery early on.

In some areas, for example the harmonisation of policies and procedures and terms and conditions, the merger process will not necessarily deliver a high level of benefits. Indeed there may be significant costs involved in some respects. The process of merger will require the management of essential and complex issues which will evolve during the development and delivery process of the New Council.

For some functions, an approach of alignment will be adopted whereby the councils will seek to bring together existing operations/services when designing the New Council. In these cases, it is anticipated that benefits will primarily be associated with economies of scale and service resilience. As these changes will be relatively less complex, these opportunities could be pursued relatively quickly but there will be a lower level of benefits derived.

### 8.3 Achievability – Developing and Delivering the Merger Proposal

The process of merger is just that – a process. The outcome from that process however is an opportunity to transform the way services are delivered. The voluntary merger process offers the opportunity to work with Welsh Government on an extended timescale to achieve this process. A merger that did not follow the voluntary route would be undertaken on a much shorter timetable and therefore would compromise the ability to deliver the transformational change described throughout this expression of interest.

The Welsh Government timetable provides a series of key milestones for the merger process. The councils have identified a range of high level activities that will take place over this period as outlined in the following table and described below.

Expression of Interest to be submitted	28 November 2014
Welsh Government response	5 January 2015
Welsh Government introduces paving legislation	January 2015
Councils, supported by Welsh Government, prepare Merger Proposal for consideration by Welsh Government to articulate the vision for transformational change in creating the New Council through the merger process, to include: <ul style="list-style-type: none"> <li>• Target operating model</li> <li>• Investment appraisal (potential savings and costs)</li> </ul>	January 2015 – June 2015
Merger Proposal for early merger to be submitted	30 June 2015
Estimated date to achieve Royal Assent/ Response to Local Authorities on Merger Proposal/ Councils to submit statements of confirmation of intention to proceed	November 2015



Orders for voluntary mergers introduced in National Assembly	January/February 2016
Enactment of voluntary merger orders	31 March 2016
Transformational change: planning completed and implementation activities undertaken	January 2016 onwards to support the following dates
Voluntary merger shadow authorities to come into being	1 October 2017
New authorities to come into effect	1 April 2018
Elections to the new authorities (based on new Electoral Divisions)	May 2018

Throughout the process engagement and communications activities will continue with the full range of stakeholders as further described in the following sections.

An internal merger project team has been established by the two councils reporting to the Cabinets of both councils. Co-chaired by the Chief Executive and Managing Director, the team comprises officers from both councils representing corporate functions including finance, HR, legal and performance. The team will work with Welsh Government colleagues. As the project progresses, the team will be complemented by contributions from service specialists and the corporate directors of both councils. The project team will ensure on-going engagement activities with citizens, strategic partners, the recognised trade unions and staff. The strongest benefit to the proposal is the will and existing culture of both councils to give effect to a merger between them.

To ensure the maximum potential is realised as part of the process of developing the formal merger process, the councils will establish commissions on specific areas of service delivery or policy, for example demand management, cost reduction, social care integration and education. These commissions will comprise elected members and officers from both councils to test, engage and take evidence from a full range of stakeholders, including those undertaking similar work throughout the United Kingdom. The outputs from the commissions will be used to inform the overarching operating model for the New Council to be documented in the final Merger Proposal for the New Council.

The work of the commissions will inform the further analysis and development of the Merger Proposal which will underpin the transformational change articulated in a target operating model, business case and implementation plan.

As outlined above, support from the Welsh Government will be required to facilitate the development of the proposal for merger and any future implementation of those proposals.

## **9. Engagement**

The following sets out the engagement undertaken to date on the expression of interest in voluntary merger and presents proposals for future communication and engagement activity with a range of stakeholders.

### **9.1 Engagement to Date**

Both Bridgend and Vale of Glamorgan councils are endorsees of the National Principles for Public Engagement. As part of the development of this expression of interest, initial engagement has been undertaken with partner organisations. However, the constrained timescale for the submission of expressions of interest means that, to date, engagement on a potential merger between the Vale and Bridgend councils has been on an informal or indirect basis with citizens.

#### **Local Public Service Partners**

The Leaders and/or Chief Executives from both councils have held meetings with a range of local public service partners including the health boards, fire and rescue service, police, Police and Crime Commissioner, Associations of Voluntary Organisations and Valleys to Coast Housing Association. These partners have been positive regarding the proposal to merge Bridgend and the Vale of Glamorgan councils, with statements of support being provided.

In addition to these individual meetings, the proposal for the Vale of Glamorgan and Bridgend councils to merge was considered at the Vale Local Service Board. on November 11<sup>th</sup> 2014. Partners were provided with an outline of the proposal to submit an expression of interest in voluntary merger where partners were again supportive of the proposals and positive about the contribution to the development they could make to any subsequent proposal for merger.

Meetings have been held between the Vale of Glamorgan and Cardiff councils to discuss the proposal. Cardiff Council has, however, passed a resolution stating their support for a voluntary merger with the Vale of Glamorgan council.

Discussions between Bridgend, Neath Port Talbot (NPT) and Swansea Councils have also taken place on the proposals. The Vale has also informed members of the WLGA including NPT of their preference to merger with Bridgend.

#### **Elected Members**

Elected members of both councils have been kept informed of developments relating to potential local government reorganisation. Both Cabinets have met informally, as have the two Leaders to consider the proposal. Briefings have been provided to the Group Leaders in the Vale of Glamorgan, with further informal briefings offered to all elected members. All political groups in Bridgend have been provided with briefings. The proposal to submit an expression of interest in voluntary merger was approved by the Cabinet in both councils prior to the submission of this document.

## **Trade Unions**

The Managing Director of the Vale of Glamorgan Council meets regularly with trade union branch secretaries at a Change Forum to discuss major corporate issues. Briefings have been provided regularly on local government reorganisation and the Williams Commission. The trade unions were also consulted on the proposal to submit an expression of interest in seeking a voluntary merger with Bridgend council.

Similarly, regular meetings between senior representatives of trade unions and cabinet members are held in Bridgend. Most recently the Chief Executive and Cabinet member for Resources have met with these representatives to share the cabinet's emerging view and to start to identify key staffing related issues.

## **The Workforce**

Initial steps to engage employees of both councils have been taken.

The Williams Commission report and the potential for council mergers has been a regular feature of articles in the Bridgend Council staff magazine, Bridgenders, and the Chief Executive has provided a series of updates on the voluntary merger process to staff.

Similarly, Vale of Glamorgan Council staff have been updated on the council's position with regard to local government reorganisation via the Core Brief which is the bulletin from the organisation's corporate management team that is circulated to all staff and discussed at team meetings. Updates have also been provided via the council's intranet, Staffnet.

## **Town and Community Councils**

Town and Community Councils have been kept informed of developments and the available options including voluntary merger. To date these councils have not formally been asked for either a collective or individual view. However, at the meeting of Vale Community Liaison Committee on the 19<sup>th</sup> November members supported a merger between the Vale and Bridgend. There will be more structured consultation with the councils should the proposed voluntary merger be accepted by Welsh Government for further development.

## **Business**

No formal engagement has been undertaken with business to date due to the shortness of the timescale. However, at various networking events with business mergers of councils has been discussed in general terms. These discussions have revealed no overwhelming view, with some individuals proposing that savings could be achieved from merged authorities, whilst others were keen to protect the interests of a particular area.

## **People and Communities**

Appendix A provides an outline of comments from residents. It is fair to say that these comments show that there is a varying body of opinion on the issue of local government mergers and there does not appear to be an overwhelming opinion on any particular option regarding merger partners for either council.

The context in which comments have been made is important as they have been made during a period of consultation on the councils' budgets and at a time when the information that was in the public domain on the potential reorganisation of local government in Wales was largely centred on the proposals as outlined in the Welsh Government's White Paper. This clearly presents an issue in interpreting these comments with confidence and indicates the importance of well-targeted and specific future engagement and communication.

However, the issue of local government reorganisation was a theme of responses to the budget consultations that are currently being undertaken by both organisations. For example, 11% of residents who made further comments as part of the Vale of Glamorgan Council's budget consultation survey raised the issue of council mergers.

Comments made during participative workshops run by Bridgend Council made clear that residents view council mergers as a possible means of protecting services.

During a discussion with a focus group of members of the Vale's 50+ Strategy Forum on how best to protect council services in light of the significant savings required, the group raised the issue of local government reorganisation unprompted. The group felt that if council mergers are inevitable they will be supportive of a merger with Bridgend Council which could lead to a more efficient local authority.

Some residents are also making their feelings on the issue clear through social media, via the local press and through the use of polls and petitions. For example, there have been discussions on social media relating to the merger of Bridgend council with a neighbouring authority via the "Porthcawl First" Facebook page; the residents of the village of Sully within the Vale of Glamorgan have begun collecting signatures in opposition to any potential merger with Cardiff Council.

### **9.2 Future Communication and Engagement**

A great number of factors will influence the future of local government in the region. The Vale of Glamorgan and Bridgend Councils will ensure that the views of our citizens and other stakeholders are one of these factors.

Public engagement is one of the core values set out in both councils corporate plans. Honouring these principles will be a central principle of our conduct in stage two of the voluntary merger submission process.

Both organisations are committed to work in partnership to engage relevant stakeholders in the merger process. A comprehensive programme of public engagement will underpin the development of any proposal for voluntary merger.

A detailed communications plan has been prepared, which is provided in appendix B. This plan outlines the means by which the councils will communicate with stakeholders on the process of any voluntary merger. The plan also importantly highlights the means by which engagement will take place on the vision and values of the New Council and how stakeholders will wish to see this authority operate.

The plan outlines how information will be communicated in the local press, via our website, via social media channels, using community radio, and in person at community events. It will allow all interested parties to make informed contributions to a consultation that will be delivered through a programme of public engagement.

The councils will use their full range of consultation tools to engage the public in the areas which will be affected by the proposed merger. A blend of online, written and face-to-face methods will ensure that the consultation is accessible to all residents. The councils will complement established quantitative methods of consultation such as surveys with qualitative ones such as focus groups and participative engagement sessions. This will ensure we receive not just a strong steer from our residents but also gain an in-depth understanding of why they feel a certain course of action should be pursued. Links with local community groups will enable us to involve hard-to-reach citizens in any consultation.

Both councils have an excellent track record of working closely with local strategic partners. This will enable the effective engagement with other local government authorities, fire and rescue authorities, police forces and police and crime commissioners, and local health boards in the next stage of the voluntary merger process. This will include the use of existing arrangements such as Local Service Boards and governance arrangements relating to the health and social care integration programmes, as well as specific activities and meetings to shape the proposal and meet the ambition to deliver whole system change.

## 10. Exceptional Cases

### 10.1 Reducing Complexity, Strengthening Collaboration and Improving Front-Line Service Integration

Bridgend and Vale of Glamorgan Councils are committed to developing strategic and operational collaboration with partners where it delivers real benefits in terms of improving front-line services, driving financial savings and reducing complexity. The two councils have an established collaborative working partnership which has delivered improvements in a range of both 'front office' and 'back office' services. The councils also work with a range of partners, including other councils and local health boards, police forces and fire authorities and will continue to do so as a merged authority, as recognised in the vision for the New Council.

In respect of dealing with complexity it is essential to see it from the citizen's perspective. Complexity arises from the wide variety of bodies that deliver services to meet their individual needs, and merging two councils will not in itself resolve the issue. The key is to make the public's experience and navigation of complexity more seamless. How that integration will happen with other public and third sector organisations is set out below.

#### Health and Social Care

An area of strategically important collaboration is that of integrating social care and health services, with a particular emphasis on services provided in the community rather than in acute settings. Both councils have invested considerably in establishing well developed programmes of joint working with the respective health boards and other partners. The merger offers the opportunity to bring approaches into alignment over time, however the councils recognise that momentum in this area of service delivery cannot be lost and will remain an absolute priority for the New Council.

Whilst the councils operate in different health board boundaries, both act as a designated *locality* within each health board area. This enables an approach to integrated planning and service provision which is tailored to meet the needs of local communities. It is acknowledged, for example that the models of service that are delivered within each of the three locality areas operating across the Cardiff and Vale UHB area should differentiate between these localities to enable a proportionate and responsive service to be delivered in different areas, dependent upon the needs of the community.

A merger between Bridgend and Vale of Glamorgan councils will see the New Council working with two health boards in the development of integrated community health and social care services. As the New Council will comprise two localities, with similar but distinct characteristics, the locality model will continue to be pursued in order to effectively meet local needs. The New Council will remain committed to the

integration agenda that has been so actively pursued with strategic partners in recent years.

In respect of acute hospital services, it is demonstrably the case that people from the Vale already make considerable use of the Princess of Wales Hospital and that people from Bridgend attend Cardiff and Vale hospitals due to the geography of the two areas and locations of hospitals. The Princess of Wales Hospital in Bridgend is part of the South Wales central network, but will need to maintain links with the south west and west Wales network, so working both East and West. It will maintain its key links with Cwm Taf and the Royal Glamorgan hospital, and will need to work closely with Prince Charles hospital and the University Hospital of Wales in Cardiff, while the Abertawe Bro Morgannwg Health Board continues to be the commissioning body for Bridgend residents. Additionally, the Abertawe Bro Morgannwg University Health board has previously provided community health services in the Vale of Glamorgan council area and understand local issues around patient flow and demography.

It is not foreseen that managing relationships with two health boards will be especially onerous for a relatively large local authority and indeed will offer opportunities to learn and share best practice on a wider scale than will be achieved from working within a single health area. This approach will continue to drive innovation and efficiency in the provision of a range of services. The Social Services and Wellbeing (Wales) Act 2014 requires fundamental transformation in the way social care and community health are provided. The service models and commissioning strategies adopted across the two areas in response to these imperatives are very similar. The councils are already making significant changes to their operating models and this provides an excellent foundation on which the New Council could build.

Similar to the councils' established approach to collaboration is the way in which opportunities to commission and procure have been harnessed. For certain services planned commissioning is especially relevant. This is true for the complete range of council services, including social care. There has been a strong emphasis in recent years on ensuring that services (whether managed directly or procured through independent providers) should operate on the most appropriate scale – nationally, regionally and locally. In some instances “local” can be on the basis of a specific town or area within the council boundary, for example when working with the voluntary sector; in other instances, a health-board scale or wider approach is more effective. Both of the local authorities are members of the South East Wales Improvement Collaborative (SEWIC) for social services. They have contributed to the development of regional commissioning and service development s across the ten local authorities. For example, SEWIC has led on the development of the regional adoption services, procurement of independent sector placements for children and for people with mental health problems or learning disabilities. Where specialist skills are required to provide services to groups with specific needs, the councils have a history of working together, including the provision of learning disability support across Bridgend, Vale and Cardiff counties.

It is considered that the proposed merger presents greater opportunities for the New Council to drive and influence better a joining up of a health and social care economy that already works across the east / west boundary.

## South Wales Police

The police operate with a basic command unit (BCU) structure. There are 4 BCUs covering Cardiff, Rhondda Cynon Taf and Merthyr, Bridgend and the Vale of Glamorgan, and Swansea and Neath Port Talbot. These BCU boundaries reflect geography but also reflect similarities in policing requirements. Bridgend, the Vale of Glamorgan and South Wales Police are developing further proposals for collaboration in the operation of Crime and Disorder Reduction Partnerships. Therefore a merger of Bridgend and Vale of Glamorgan councils will build on existing collaboration and joint working in areas such as community safety and domestic abuse and will not require changes to the operational and strategic relationships with the Police. In fact a merger west for Bridgend will either mean that the New Council will operate across 2 BCUs or will perhaps require South Wales Police to reorganise the command structure.

## South Wales Fire and Rescue Service

The fire service follows the south east Wales boundary. Therefore it incorporates Bridgend and the Vale of Glamorgan. Joint working with the fire service is well developed on the policing and community safety footprints and the South Wales Police and South Wales Fire and Rescue services are in the process of co-locating their headquarters in Bridgend.

In fact a Bridgend merger west will result in the New Council being served by two fire authorities under the current arrangements or a requirement to change the Fire authority boundaries. The proposed merger is therefore supported by the existing fire service boundaries.

## The Third Sector

The sector is extremely diverse and follows many boundaries. Throughout Wales there are grant funded umbrella organisations to support the development of 3<sup>rd</sup> sector bodies and to act as a voice for that sector. In Bridgend and the Vale of Glamorgan this is provided by the Bridgend Association of Voluntary Organisations and Vale Centre for Voluntary Services respectively. These organisations have positive working relationships with an agreement to deliver services from whichever access point citizens require.

## 10.2 Statements of Support

Statements of support are appended to this report for the following partners:

Organisation	Appendix C
South Wales Fire and Rescue Service	Received
Vale Centre for Voluntary Services	Received
Bridgend Association of Voluntary Organisations	Received
Cardiff and Vale University Health Board	Received



Abertawe Bro Morgannwg University Health Board	Received
Police and Crime Commissioner and South Wales Police Force	Received
Valleys to Coast Housing Association	Received

### 10.3 EU Convergence Funding

At the present time it is unclear what the impact of the proposed merger will be with regards EU Convergence Funding provided in the Bridgend area. It is unlikely, however, to provide difficulties that will not be provided by another merger where funding of this sort exists.

European structural funding (such as the convergence programme and the forthcoming West Wales and Valleys Programme and East Wales Programme) is allocated on programme boundaries known as NUTS 2 regions (Nomenclature of terrestrial units for statistics).

There are two such regions in Wales – West Wales and the Valleys comprising 15 council areas, including Bridgend, and East Wales comprising 7 council areas, including, the Vale of Glamorgan.

These areas are used to assign eligibility for European structural funds. They can be periodically reviewed but that process is very lengthy. The Objective 1 programme ran from 2000-2006 on these boundaries. A successor programme is currently being delivered which is the Convergence programme in west Wales and the Valleys and the Regional Competitiveness and Employment Programme in east Wales. The next programme will again be split east and west. The planning period for that is 2014 – 2020 with delivery expected to run through to 2023.

Irrespective of any boundary changes these three programmes will continue to be delivered on the existing NUTS 2 boundaries – i.e. there is no impact on funding as a result of any boundary changes.

Assuming that a further programme is established for 2021 to 2027 that delivers through to 2030, it is possible that the EU NUTS boundaries may by then have been re-aligned to take account of any revised local government boundaries in Wales. Such realignment is not guaranteed though and some think that such realignment in time to impact on eligibility for post – 2020 EU Structural Funds is unlikely.

In summary any boundary changes that cut across the NUTS2 regions will have no effect on EU structural funding up to 2023 and may or may not impact on as yet hypothetical funding for the 2021 – 2027 programme period.

In a situation where a new authority straddled both programmes, that authority will be likely to draw on both funding regimes simultaneously for different parts of that authority area. This is no different to current arrangements for the delivery of the

Rural Development Programme and Communities First which are already delivered in targeted areas.

Some other European funding is administered without reference to NUTS2 areas and as such is not affected by boundary changes (the one exception is the Ireland-Wales Co-operation Programme which uses the NUTS3 areas to define its eligible area – however the NUT3 areas of Bridgend/Neath Port Talbot and Vale of Glamorgan/Cardiff are not eligible for this programme).

The Vale of Glamorgan has a substantial Rural Development Programme and a merger with Bridgend will allow Bridgend and the Vale of Glamorgan to realise economies of scale in the administration of those programmes (Neath Port Talbot does have a significant rural programme but it is not as developed as that in the Vale of Glamorgan, and does not provide as much scope for effective co-operation with Bridgend's rural programme).

The WLGA Council received a report on this earlier this year that examined boundary issues and impact on funding. Their conclusions were:

There is a slight risk in terms of future eligibility (the impact of which could be significant financially) and there might be a situation whereby a new authority will experience different levels of support in different parts of its territory. However:

- These risks are low in that there is a question mark over the long term eligibility for higher levels of structural fund support in any case
- Eligibility for the post 2020 programme will seem likely to be determined by data based on current boundaries; and
- The issue of having different eligibility in different parts of the same authority has been dealt with successfully in previous programmes.

## **11. Initial Consideration of the New Authority's Name and Potential Status**

The working title for the New Council is Bridgend and Vale County Borough Council and it is proposed that it will operate as a County Borough council.

## 12. Statement from Local Authorities

This expression of interest has been considered at the following meetings:

<b>Meeting</b>	<b>Council</b>	<b>Date</b>
Cabinet	Bridgend	28 <sup>th</sup> November 2014
Cabinet	Vale	28 <sup>th</sup> November 2014

This expression of interest will be considered at the following meetings:

<b>Meeting</b>	<b>Council</b>	<b>Date</b>
Council	Bridgend	10 <sup>th</sup> December 2014
Council	Vale	17 <sup>th</sup> December 2014

## Appendix A

### Comments from People and Communities

#### Comments received during Vale of Glamorgan Council budget consultation

*... Merge with Bridgend Council Cut bureaucracy...*

*... Merge some of the services.*

*... Cardiff won't care less about the Vale, particularly the Western Vale.*

*... Most importantly of all you should merge with another council, preferably Bridgend.*

*... Merge with Town Council plus another authority...*

*... Go to Welsh Government so that we are no longer the 'poor relation' and don't consider a merger with Cardiff Council as the Vale residents would have even less...*

*... We do not support a merger with Cardiff Council as we feel we will be swallowed up, however, perhaps we could merge some services with other councils such as Bridgend...*

*... Build on links already made with Bridgend to move to merger...*

*... Consider further collaboration with the Cardiff and Vale Health Board, especially for back-office functions such as payroll, legal, internal audit, accountancy etc. Reduce the number of Councillors by increasing the size of wards...*

*... Create a 'super council' area to cover the Vale and Bridgend thereby assisting in 'economies of scale' with like for like existing council areas. (NB I consider that combining the Vale with Cardiff would be a RETROGRADE step - it didn't work in the past)...*

*... A merger of various Councils would possibly improve matters which I would hope relinquish some of the top heavy office staff releasing funds to where the money should actually be allocated and paying the people who actually do the hands on work with a good living wage...*

*... Also I am against any merger with a neighbour authority...*

*... Reduce the number of elected members and merge with Cardiff Council...*

*... Merge with Cardiff! It would save an enormous amount of money. 22 Local councils in Wales is ludicrous given the economic situation.*

*... Merge with Cardiff ahead of the Williams report deadline and show that you can be proactive and not just protecting your little fiefdoms.*

*... Merge with either Cardiff or Bridgend...*

*... I believe the biggest cost is staff salaries .....therefore merge with Cardiff Council or Bridgend council for some or all services.....this will reduce Senior Management costs (staff and Members)...*

*... Merge with Cardiff or Bridgend Councils or very better still both...*

*... Gain economies of scale by merging with Cardiff and possibly Bridgend...*

*... Merge with South Glamorgan...*

*... Merge with Cardiff...*

*... Have less councillors with more partnership work that would save money...*

*... Also, is it possible to involve Welsh Government in setting up partnerships with other local authorities for some services? They wouldn't have to merge, just become larger scale at the point of purchase / resources...*

*... Think about working together more with Bridgend and Cardiff to save costs...*

### **Comments received during Bridgend County Borough Council budget consultation**

The following examples have all been taken from participant workbooks at community engagement workshops held as part of the 2015-16 budget consultation:

- *“Why are we looking at ways to actively reduce Bridgend County Borough Council’s budget before a merger with another authority has taken place?”*
- *“It would better to see whether existing services could be maintained and provided by one larger authority, via a merger, rather than cutting services at a local level.”*
- *“Schools need to merge urgently as there are too many empty spaces.”*
- *“How will the cabinet work in a merger?”*
- *“Why are there inconsistencies in services across councils - should all councils in Wales need to provide the same?”*
- *“Rationalise council services further. Consequences of mergers need to be communicated before cuts can be made to services.”*

## Appendix B

### Draft Communication and Engagement Plan

The voluntary merger process would be underpinned by a programme of in-depth consultation and engagement with all relevant stakeholders.

#### Key Aims

The key aims of the joint communications and engagement plan are as follows.

1. To raise awareness amongst, and disseminate key messages to, all relevant stakeholders
2. To ensure all stakeholders are provided with sufficient information to effectively engage in the voluntary merger process
3. To establish an ongoing dialogue with stakeholders to inform and obtain feedback on the development of the new authority's vision and values and how it would operate

#### Stakeholder Grid

The key messages, channels and tools for communication and engagement with each key stakeholder group are set out in the table below.

Stakeholder Group	Key Channels	Key Tools
People and communities	Council websites	<ul style="list-style-type: none"><li>• Dedicated webpages to provide an online hub for information on the voluntary merger process, featuring updates on progress, FAQs, links to relevant information available online (to be highlighted in all relevant publicity)</li><li>• Comments box to collect residents' general views on merger and proposals for the new authority's vision and values.</li><li>• Online version of questionnaire on key aspects of proposed merger (to be highlighted in all relevant publicity).</li></ul>
	Media	<ul style="list-style-type: none"><li>• Co-ordinated media release campaign focusing on key messages, dates, events etc. (all signposting residents to further information online).</li><li>• Co-ordinated/joint media briefings for local journalists.</li><li>• Series of joint interviews with key elected members on local radio.</li><li>• Associated advertising (print, digital and radio).</li></ul>
	Social media	<ul style="list-style-type: none"><li>• Regular joint updates for residents (coordinated with media release campaign).</li><li>• Video content for social media channels including interviews with key elected members from both organisations.</li><li>• Online dialogue/discussion with residents following updates.</li></ul>
	Customer contact centres	<ul style="list-style-type: none"><li>• Briefings for customer service staff so key messages communicated to customers.</li><li>• Pre-recorded messages for main council contact numbers.</li><li>• Dedicated email inbox for enquiries relating to the merger (to be highlighted in all relevant publicity).</li></ul>

	County Borough Bulletin	<ul style="list-style-type: none"> <li>Special edition of council newspaper, to all households (circa 64,000) in Bridgend County Borough, to include printed version of survey on key aspects of proposed merger.</li> </ul>
	Printed materials	<ul style="list-style-type: none"> <li>Series of printed information sheets, available in accessible formats, providing updates on the merger process and signposting residents to information available for display at public buildings and for distribution at face-to-face sessions.</li> <li>Printed version of questionnaire on key aspects of proposed merger.</li> </ul>
	Face-to-face sessions	<ul style="list-style-type: none"> <li>A series of joint face-to-face engagement events across both counties to provide opportunity for in-depth engagement with residents (to be highlighted in all relevant publicity).</li> <li>A series of facilitated participative sessions with residents from across both counties.</li> <li>A series of facilitated discussion groups with identified community groups such as Vale of Glamorgan Youth Cabinet and 50+ Strategy Forum.</li> </ul>
	Community groups	<ul style="list-style-type: none"> <li>Bespoke communications for local representative forums for minority groups (e.g. Bridgend Coalition of Disabled people, VALREC etc.) to be disseminated through existing networks.</li> <li>Special meetings of existing service user groups (eg. tenant forums, equalities consultative forums etc.).</li> </ul>
Town and community councils	Community Liaison Committee	<ul style="list-style-type: none"> <li>Meetings of Community Liaison Committee to brief representatives of town and community councils on progress.</li> </ul>
	Meetings with town councils	<ul style="list-style-type: none"> <li>Ongoing series of meetings with leaders of town councils across the two counties.</li> </ul>
Elected members	Member briefing documents	<ul style="list-style-type: none"> <li>Special editions of Bridgemembers focusing on information for BCBC councillors.</li> <li>Dedicated Member Net pages providing information for VoGC councillors.</li> </ul>
The workforce	Staff briefing documents	<ul style="list-style-type: none"> <li>Special editions of Bridgend's magazine and Core Brief to provide updates to staff.</li> <li>Updates via the VoG Core Brief newsletter to staff.</li> </ul>
	Intranet sites	<ul style="list-style-type: none"> <li>Dedicated intranet webpages providing information, FAQs etc. tailored for staff at each organisation.</li> </ul>
	Face-to-face sessions	<ul style="list-style-type: none"> <li>Staff presentations and workshops to provide opportunity for dialogue and input into process.</li> </ul>
	Communication Champions	<ul style="list-style-type: none"> <li>'Communications champion' network to disseminate information to staff.</li> </ul>
Trade unions	Regular Meetings	<ul style="list-style-type: none"> <li>Regular meetings to brief and engage with trade unions in the development of proposals.</li> </ul>
Schools & Governors	Head Teacher Forums	<ul style="list-style-type: none"> <li>Regular meetings to brief and engage with head teachers in the development of proposals.</li> </ul>
	School Governor Forums	<ul style="list-style-type: none"> <li>Regular meetings to brief and engage with school governors in the development of proposals.</li> </ul>
	Meetings/workshops	<ul style="list-style-type: none"> <li>Specific meetings/workshops to develop proposals and the vision and values of the new council and any relevant operational processes.</li> </ul>



Other local authorities	Meetings	<ul style="list-style-type: none"> <li>• Regular meetings to brief and engage with other local authorities.</li> <li>• Workshops to discuss and design specific elements of the proposals.</li> </ul>
Fire and rescue authorities	Local Service Boards	<ul style="list-style-type: none"> <li>• Meetings of both Bridgend and the Vale LSBs.</li> <li>• Individual meetings to brief and engage in developing the proposals.</li> </ul>
	Specific Meetings and Workshops	<ul style="list-style-type: none"> <li>• Specific events to discuss proposals and design relevant operational business processes.</li> </ul>
Local health boards	Local Service Boards	<ul style="list-style-type: none"> <li>• Meetings of both Bridgend and the Vale LSBs.</li> <li>• Individual meetings to brief and engage in developing the proposals.</li> </ul>
	Integrated Working Governance Meetings	<ul style="list-style-type: none"> <li>• Meetings to engage on and discuss proposals to inform the development of the vision and values of the new council in addition to specific operational business processes.</li> </ul>
	Specific Meetings and Workshops	<ul style="list-style-type: none"> <li>• Specific events to discuss proposals and design relevant operational business processes.</li> </ul>
Police forces and Police and Crime Commissioners	Local Service Boards	<ul style="list-style-type: none"> <li>• Meetings of both Bridgend and the Vale LSBs</li> <li>• Individual meetings to brief and engage in developing the proposals.</li> </ul>
	Specific Meetings and Workshops	<ul style="list-style-type: none"> <li>• Specific events to discuss proposals and design relevant operational business processes.</li> </ul>
Business community	Business forum	<ul style="list-style-type: none"> <li>• Bespoke communications for local businesses to be disseminated via online network for small businesses in the Vale and via business forum in Bridgend.</li> </ul>
	Chambers of trade	<ul style="list-style-type: none"> <li>• Joint briefings for representatives of chambers of trade and commerce across the two counties.</li> </ul>
Third sector	Local voluntary organisations	<ul style="list-style-type: none"> <li>• A series of facilitated discussions with representatives of local voluntary organisations.</li> </ul>
	Local Service Boards	<ul style="list-style-type: none"> <li>• Meetings of both Bridgend and the Vale LSBs</li> <li>• Individual meetings to brief and engage in developing the proposals.</li> </ul>
	Regular Meetings	<ul style="list-style-type: none"> <li>• Meetings with council representatives (political and officer level) to brief and engage in developing the proposals.</li> </ul>
	Specific Meetings and Workshops	<ul style="list-style-type: none"> <li>• Specific events to discuss proposals and design relevant operational business processes.</li> </ul>
	Voluntary Sector Committees	<ul style="list-style-type: none"> <li>• Meetings of Vale Voluntary Sector Liaison Committee and Bridgend Voluntary Sector Committee to update representatives of the voluntary sector on progress and engage in the development of proposals.</li> </ul>



Sian Davies  
Managing Director  
Vale of Glamorgan Council  
Civic Offices  
Holton Road  
Barry CF63 4RU

**Our Ref:** HJ/JAG  
**Your Ref:**  
**Date:** 19 November 2014  
**Contact:** Huw Jakeway  
**Tel:** 01443 232006

Dear Sian

Following our discussion on Thursday 6 November 2014 I have given voluntary merger of the Vale of Glamorgan and Bridgend County Borough Councils much consideration.

The evidence I gave to the Commission focussed on the need to align our Fire and Rescue Authority boundaries with our partners and in fact, including Bridgend in the Swansea Bay collaborative footprint has complicated our partnership approach with Bridgend County Borough Council.

I recognise that the proposed voluntary merger of the Vale of Glamorgan and Bridgend County Borough Councils does not align with outcome of the proposed Williams Commission or indeed the Welsh Government's response to the Commission as published in the "Reforming Local Government" White Paper. However, I have structured the Service to align the delivery of services, which includes working in partnership, to cover these two geographical areas; it is also the same management and command structure for us. Therefore, the proposal to voluntarily merge the Vale of Glamorgan and Bridgend County Borough Councils causes South Wales Fire and Rescue Service no issues in the delivery of our education, preventative and response services.

I look forward to working with you through what are challenging but exciting times.

Yours sincerely

A handwritten signature in blue ink that reads "Huw Jakeway".

**Huw Jakeway**  
Chief Fire Officer



Sian Davies  
Managing Director  
Vale of Glamorgan Council  
Civic Offices  
Holton Road  
Barry  
CF63 4RU

November 14, 2014

Dear Sian

Further to our recent conversation, I can confirm VCVS works in close partnership with all CVC's as part of the third sector infrastructure for Wales. However we have particularly strong links with our neighbouring CVC's. The range of partnerships with which we are involved has always meant that VCVS has had to work across numerous geographical boundaries, and we would anticipate this continuing into the future.

We have always had a positive working relationship with Bridgend Association of Voluntary Organisations (BAVO), and we have an agreement to deliver services e.g. training and volunteering, from whichever access point citizens require. VCVS is also fortunate in that it has a shared Trustee with BAVO and this also supports good trustee and governance links across our organisations. We work collaboratively with BAVO and neighbouring CVCs to deliver a regional training programme, a joint approach to working with SW Police and Community Safety.

We also have a long standing, positive and successful working relationship with Cardiff Third Sector Council (C3SC), and we anticipate this will continue in line with the good work that is taking place around health, social care and wellbeing.

In summary, VCVS's Board of Trustees does not foresee any difficulties in responding flexibly to changes to local authority boundaries, including that of Vale of Glamorgan and Bridgend. They would like to express their support of VOGC's endeavours to enable a smooth and swift decision and transition process.

Kind regards

Rachel Connor  
Executive Director

*VCVS is dedicated to a process of continuous improvement,  
using the PQASSO quality model for evaluation.*



*give with confidence  
rhochwch gyda hyder*

Mr Darren Mepham,  
Chief Executive,  
BCBC,  
Angel Street,  
Bridgend.

November 10<sup>th</sup>, 2014

Dear Darren,

Further to our recent conversation, I can confirm BAVO works in close partnership with all CVCs as part of the third sector infrastructure for Wales. However we have particularly strong links with our neighbouring CVC's. The range of partnerships with which we are involved has meant BAVO has always had to work across numerous geographical boundaries, and we anticipate this continuing into the future.

As part of the old MGAVO (Mid Glamorgan Association of Voluntary Organisations), the old CVC covered parts of the current Vale of Glamorgan and as such we have enjoyed a long-standing, strong and positive working relationship with the Vale CVS for quite some time. We have found some residents from the Vale still look to BAVO for key areas of provision such as volunteer placements within Bridgend County, and so BAVO and the Vale CVS have a joint agreement to deliver services flexibly from whichever access point citizens require. BAVO is also fortunate in that it has a shared Trustee with the Vale CVS and this enables good governance links across our organisations.

We also have a successful and positive relationship with both Neath Port Talbot CVS and Swansea CVS, and we anticipate this will continue in line with the good work that is taking place around health and social care.

In summary, BAVO's board does not foresee any difficulties in responding flexibly to any changes to local authority boundaries, including that of Bridgend and the Vale of Glamorgan. They would like to express their support of BCBC's endeavours to enable a smooth and swift decision and transition process.

Yours sincerely,

*Heidi Bennett*

Heidi Bennett MBA, MCIPD  
Chief Executive



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**GIG**  
CARDIFF  
**NHS**  
WALLES

Bwrdd Iechyd Prifysgol  
Caerdydd a'r Fro  
Cardiff and Vale  
University Health Board

**Ysbyty Athrofaol Cymru**  
**University Hospital of Wales**  
**UHB Headquarters**  
Heath Park  
Cardiff, CF14 4XW

Parc Y Mynydd Bychan  
Caerdydd, CF14 4XW

Eich cyf/Your ref:  
Ein cyf/Our ref: MB-as-11-4214  
Welsh Health Telephone Network:  
Direct Line/Llinell uniongychol: 02920 745684

**Maria Battle**  
**Chair**

21 November 2014

Cllr Neil Moore  
Leader  
Vale of Glamorgan Council  
Civic Offices  
Holton Road  
Barry  
CF63 4RU

Dear Neil

I would like to thank you and Sian Davies for coming to meet with Adam and I to talk through the Council's position in respect of local authority mergers. It was very helpful to understand the Council's rationale for favouring a merger with Bridgend County Borough Council. We acknowledge that both local authorities feel that there are many shared characteristics across the populations.

We have carefully considered the potential implications of the possible merger between the Vale of Glamorgan and Bridgend. Whilst our preference is for one local authority continuous with our boundaries, we also recognise the advantages offered by a consensual merger with Bridgend and do not intend to oppose your expression of interest to Welsh Government.

As part of the detailed work you will be undertaking, we would be looking for assurance that the commitment to accelerating the integration of health and social care on a much more significant scale will be honoured, and that the newly formed authority will have the capacity and capability to progress this integration agenda across two health boards, including the potential to pool resources into one integrated budget across Cardiff and the Vale of Glamorgan.

We also recognise that as a result of implementing the South Wales Programme, we will see an increased flow of patients across health board boundaries, and we would wish to ensure that local authorities are able to have appropriate arrangements in place to support, where needed, the timely transfer of patients back home following hospital treatment.

We would be keen to be actively engaged in the ongoing discussions you have as the proposals for the merger evolve and to receive assurance in the areas highlighted in this letter and in any other areas that may emerge as part of those discussions.

With best wishes

**MARIA BATTLE**  
**Chair**





GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board

Our Ref: AD/PR/cw

Date: 28<sup>th</sup> November 2014

Cllr Mel Nott & Darren Mepham  
Bridgend County Borough Council  
Civic Offices  
Angel Street  
Bridgend  
CF31 4WB

ABMU Health Board  
Headquarters  
One Talbot Gateway, Seaway Parade,  
Port Talbot  
SA12 7BR

01639 683302  
WHTN: 1787 3302

Dear Mel and Darren,

We are writing in response to your letter of 21<sup>st</sup> November 2014 in relation to your decision to submit an expression of interest in a voluntary merger with the Vale of Glamorgan and to the discussions that we have had on this in recent weeks. We had a Board meeting on Thursday, 27<sup>th</sup> November 2015 where we had an opportunity for a preliminary discussion on this issue. Board members understand the importance of this matter and as a result asked us to invite you both to a future meeting to explore these issues with us in more detail.

As you suggest in your letter we have always favoured coterminous public bodies and partnership arrangements as we believe this significantly reduces the complexities of service commissioning, planning and provision. We can see that the merger between your Authority and the Vale would deliver these advantages for other parts of public service and this is clearly an advantage. We do however believe that the argument for coterminosity is particularly strong for health and social care given our growing mutual challenges in this area. This view was expressed strongly at our Board meeting yesterday.

We do however welcome your clear commitment to continuing our bi-lateral close working arrangements and also to those of the Western Bay Programme. We would obviously be looking for more assurance of these arrangements as these changes proceed; in particular on the capacity and commitment of the

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• Chairman/Cadeirydd: **Professor Andrew Davies**

• Chief Executive/ Prif Weithredydd: **Mr Paul Roberts**

ABM Headquarters/ Pencadlys ABM, One Talbot Gateway, Seaway Parade, Baglan Energy Park, Port Talbot. SA12 7BR.

Telephone: 01639 683344 Ffon 01639 683344 FAX: 01639 687675 and 01639 687676

Bwrdd Iechyd ABM yw enw gweithredu Bwrdd Iechyd Lleol Prifysgol Abertawe Bro Morgannwg

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www.abmu.wales.nhs.uk

new authority to be able to progress these agenda with sufficient pace across two Health Boards.

I am pleased that we have already embarked on discussions between our respective teams on the practical implications of these potential changes.

Whatever the decisions that are eventually made we as a Health Board undertake to continue our ever closer integrated working on behalf of the communities we both serve and are keen to be actively engaged in the ongoing discussions about this proposal for a merger as it progresses.

We look forward to further discussion.

Yours sincerely



**ANDREW DAVIES**  
**CHAIRMAN**



**PAUL ROBERTS**  
**CHIEF EXECUTIVE**



Councillor Mel Nott  
Leader of Bridgend County Borough Council

Councillor Neil Moore  
Leader of Vale of Glamorgan County Borough Council

26<sup>th</sup> November 2014

Dear Mel and Neil

You asked as for a South Wales Police view of the likely impact on policing of a merger between Bridgend Council and the Vale of Glamorgan Council.

Such a merged Council would cover the area of our current Central Basic Command Unit. As you know we both have a strong commitment to the best possible partnership working with our local authorities. We meet each Leader and Chief Executive on their own turf together each quarter, and we both feel that this investment in time is important, and complements the links between local operational policing and the local authority and the increasing cooperation on planning and project work, which has a positive impact on crime reduction and community cohesion.

While we are spectators in respect of the reorganisation of local government, and we will work closely with whatever pattern of local government emerges from Ministerial decisions, it will help us a lot if new boundaries are coterminous or within the areas covered by the current four Basic Command Units.

As the Eastern Basic Command Unit covers the area of Cardiff, which has the heaviest demands by comparison with all other areas of South Wales, it could not reasonably be extended to cover the Vale of Glamorgan without considerable reorganisation affecting the rest of South Wales. The Western Basic Command Unit covers Swansea and Neath Port Talbot, but not Bridgend, and again a new local authority covering those three councils would give us some fresh challenges in terms of getting the right balance of local policing and partnership work across South Wales.





We would stress again that the only way to reduce criminal activity at the local level, is to work in close cooperation with the local authority, as well as with health the voluntary sector, the fire service and others. Given the impact of "austerity" so far - the number of warranted police officers in South Wales has been cut already from 3400 to 2800 - and the fact that we are promised in the region of 25% further cuts over the next three year Comprehensive Spending Review Period, we would very much like to concentrate on that joint crime reduction agenda both to keep our communities safe and to create the headroom that is necessary if we are all to do more with less, as seems to be expected by the Chancellor of the Exchequer.

We will accept the challenge of working with new local authorities in whatever format is decided, and with equal dedication and enthusiasm. However, it is a simple fact that such a job will be made easier to achieve through a merger of Bridgend and the Vale of Glamorgan, with the new Council covering the same footprint as the Basic Command Unit, as that would enable us to concentrate on reducing crime, rather than being distracted by structural changes.

We hope that these considerations will assist you and the Minister in considering the future.

A handwritten signature in black ink, reading "Alun Michael".

**Rt. Hon Alun Michael JP**  
Police and Crime Commissioner  
for South Wales

A handwritten signature in black ink, reading "Peter Vaughan".

**Mr Peter Vaughan**  
Chief Constable for South Wales

**From:** [Bobbett, Angela](#)  
**To:** [Bobbett, Angela](#)  
**Subject:** STATEMENT OF SUPPORT - V2C  
**Date:** 24 November 2014 14:17:18  
**Attachments:** [image001.png](#)

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**From:** Stephen Cook [<mailto:Stephen.Cook@v2c.org.uk>]  
**Sent:** 24 November 2014 10:59  
**To:** Darren Mephram  
**Subject:** Local Authority Merger

Dear Darren

Further to our recent telephone conversations I thought I would write to confirm the support of V2C to your plans to merge with the Vale of Glamorgan.

From a housing perspective of course, there is the interesting issue of BCBC having transferred its stock whilst the Vale has chosen stock retention. This is a matter that will in due course have to be acknowledged and have some consideration given to a formal stance otherwise there is a risk that this becomes an opportunity for political opponents to object to the merger plans overall. Practically however, I believe there are many opportunities for housing services to be improved across a new local authority area by closer joint working, and I would reassure you that we would have no concerns about working with yourselves and Vale colleagues on this.

I wish you the best of luck in your endeavours and look forward to helping you as best we can should your proposals come to fruition.

Regards

**Stephen**

Stephen Cook  
Chief Executive / Prif Weithredwr



Valleys to Coast Housing  
Tremains Business Park  
Tremains Road  
Bridgend  
CF31 1TZ

Tai Cymoedd i'r Arfordir  
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**BRIDGEND COUNTY BOROUGH COUNCIL**

**INFORMATION REPORT TO COUNCIL**

**10 DECEMBER 2014**

**REPORT OF THE MONITORING OFFICER**

**URGENT DELEGATED DECISION**

**1. Purpose of Report.**

1.1 To report to Council a delegated decision taken as a matter of urgency.

**2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.**

2.1 The ability of Members and Officers to make decisions directly impacts upon the Authority's ability to implement the Corporate Improvement Objectives and Other Corporate Priorities.

**3. Background.**

3.1 This decision is required to be reported to Council under paragraph 18 of the Overview & Scrutiny Procedure Rules which are to be found at Part 4 of the Constitution. The background to the decision is shown in the Appendix to the report.

**4. Current situation / proposal.**

4.1 CMM-DCM-14-007 - Date of Decision 6 November 2014 (Delegated decision form attached as **Appendix A.**)

4.2 Details of Decision

The details regarding the decision is shown in Part 2. of the Appendix.

4.3 Reason for Decision

The reason for the decision having to be taken as a matter of urgency is outlined in Part 3. of the Appendix.

4.4 Details of Consultation

Details of the consultation undertaken prior to the decision being made is specified in Part 4. of the Appendix.

**5. Effect upon Policy Framework & Procedure Rules.**

5.1 This decision is required to be reported to Council under paragraph 18 of the Overview and Scrutiny Procedure Rules which are to be found under Part 4 of the Constitution.

## **6. Equality Impact Assessment**

6.1 There are no negative equality implications arising from this report.

## **7. Financial Implications.**

7.1 There are no financial implications.

## **8. Recommendation.**

8.1 It is recommended that Council note this report.

**P A Jolley**

**Assistant Chief Executive Legal and Regulatory Services & Monitoring Officer**

**28 November 2014**

**Contact Officer: Mark Galvin**  
Senior Democratic Services Officer – Committees

**Telephone:** (01656) 643148

**E-mail:** [mark.galvin@Bridgend.gov.uk](mailto:mark.galvin@Bridgend.gov.uk)

**Postal Address** Democratic Services, Civic Offices Angel Street Bridgend CF31 4WB

### **Background documents**

The Overview and Scrutiny Procedure Rules as set out in the Council's Constitution.

### SCHEMES OF DELEGATION OF FUNCTIONS RECORD OF DECISION

#### 1. Scheme Information:

a. Decision Reference Number:	CMM-DCM-14-007
b. Decision Type (Proposed or Actual):	Actual
c. Scheme under which decision is to be made	A
d. Paragraph Number:	1.1
e. Does this Decision contain Exempt Information? If so, provide details with reference to paragraph(s) 12 to 18, Part 4 and paragraphs 19 to 21, Part 5 Schedule 12A, Local Government Act 1972.	NO
f. Does this Decision contain "Confidential information:	NO

#### 2. Details of Decision (including: Any public interest test undertaken in relation to Part 1(e) above; equalities implications and details of any assessment undertaken)

**Scheme:** Rural Development Programme Grant Scheme

**Client:** BCBC Communities Directorate

This decision is in line with the Procurement Contract Procedure Rules Exemptions and Waivers, paragraph 3.2.4:

***Extreme urgency brought about by events unforeseeable by the contracting authority and in accordance with the strict conditions stated in the Public Contract Regulations 2006 which implement EU Procurement Directives***

This decision is to authorise the appointment of a single contractor to complete works on existing projects, which are currently on hold, without obtaining competitive quotes for the work.

It has been brought to our attention that the organisation that applied for and was awarded the funding for the projects in question is going into administration which has resulted in works halting on the ground.

These projects were awarded funding from the Rural Development Programme and works must be completed prior to the deadline of 30th November 2014 in line with the terms and conditions of funding.

The single contractor proposed is the original contractor on the work (Landcraft Projects Ltd.). A new contract will be entered into with this company on the basis that they have prior knowledge of the required works and the likelihood of them being able to complete to deadline.

Also in line with the funders' requirements, a new main applicant (non-private sector) will be required on these projects and it is proposed to assign an internal team with relevant experience of delivering RDP projects of a similar nature (Tidy Towns) to manage the contract.

**3. Reason for Decision (including any reasons for urgency which led to the implementation of the decision before the preparation of this record or before the expiry of 3 working days after the publication of the decision to which call-in provisions apply):**

These works have become urgent in light of the project applicant going into administration and works reaching a standstill. Given the urgency to complete within a matter of weeks, it is likely that the process for obtaining 5 competitive quotes would push these works beyond the final deadline resulting in all projects being unable to complete.

**4. Details of Consultation undertaken prior to the decision or, if none reasons why none undertaken:**

Internal consultation undertaken with:

- Corporate Director, Communities
- BCBC Legal Department
- BCBC Procurement Department

External consultation undertaken between

- BDO Birmingham (Administrators)
- Councillor J C Spanswick, Scrutiny Chair, Community Renewal and Environment

**5. Details of any interest declared in relation to the decision:**

a. by any Cabinet Member consulted in relation to the Decision:

NONE

b. by any Cabinet Member who would have been the Decision maker except for the

declaration of such an interest:

NONE

- c. details of any dispensation granted by the Standards Committee in respect of interest declared:

NONE

<b>6. Contact Details:</b>	<b>Case Officer</b>	<b>Decision-Maker</b>
a. Name:	Mark Shephard	Cllr Phil White
b. Job Title/Role:	Corporate Director, Communities	Cabinet Member, Communities
c. Telephone Number:		01656 643685
d. E-mail Address:	Mark.Shephard@bridgend.gov.uk	Cllr.Phil.White@bridgend.gov.uk
e. Date Decision made:		06/11/14
f. Signature:	Mark Shephard	Cllr Phil White

Notes:

1. Electronic copies of this form must be sent to Democratic Services - Committees (cabinet\_committee)

**7. Decision Administration Information (Cabinet & Committee Services use only)**

- |   |                                       |
|---|---------------------------------------|
| a. Date received                                | <input type="text" value="07/11/14"/> |
| b. Confirmation of Urgency                      | <input type="text" value="-"/>        |
| c. Date published                               | <input type="text" value="07/11/14"/> |
| d. End of Call - In period (Scheme A & B1 only) | <input type="text" value="-"/>        |
| e. Decision Called in.                          | <input type="text" value="-"/>        |
| f. Effective date of Decision.                  | <input type="text" value="06/11/14"/> |