

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

Our ref / Ein cyf: Mr Mark Anthony Galvin
Your ref / Eich cyf:

Date / Dyddiad: 11 December 2014

Dear Councillor,

CHILDREN & YOUNG PEOPLE OVERVIEW & SCRUTINY COMMITTEE

A meeting of the Children & Young People Overview & Scrutiny Committee will be held in the Council Chamber, Civic Offices, Angel Street, Bridgend, CF31 4WB on **Wednesday, 17 December 2014 at 2.00 pm.**

AGENDA

1. Apologies for Absence
To receive apologies for absence (to include reasons, where appropriate) from Members/Officers.
2. Declarations of Interest
To receive declarations of personal and prejudicial interest (if any) from Members/Officers in accordance with the provisions of the Members Code of Conduct adopted by Council from 01 September 2008. (Including whipping declarations)
3. Draft Budget Consultation Process 3 - 64
Invitees
Cllr Huw David, Cabinet Member - Children & Young People
Sue Cooper – Corporate Director - Wellbeing
Deborah McMillan, Corporate Director - Children
Colin Turner, Head of Safeguarding and Family Support
Nicola Echanis, Head of Strategy Commissioning and Partnerships
Arron Norman, Finance Manager, Children's Services
Hannah Castle, School Budget Forum Representative

4. Council's Performance Against its Corporate Plan 2013-17 65 - 80
Invitees
Cllr Huw David, Cabinet Member - Children & Young People
Sue Cooper – Corporate Director - Wellbeing
Deborah McMillan, Corporate Director - Children
Colin Turner, Head of Safeguarding and Family Support
Nicola Echanis, Head of Strategy Commissioning and Partnerships
5. Forward Work Programme Update 81 - 84
6. Urgent Items
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:

PA Davies
DK Edwards
EP Foley
CA Green
DM Hughes

Councillors

PN John
M Jones
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Councillors

HJ Townsend
C Westwood
DBF White
RE Young

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2014

REPORT OF THE ASSISTANT CHIEF EXECUTIVE – LEGAL & REGULATORY SERVICES

DRAFT BUDGET CONSULTATION PROCESS

1. Purpose of Report

1.1 The purpose of the report is to:

- (i) Provide Members with a copy of the draft Cabinet Budget Proposals for 2015-16.
- (ii) Provide Committee Members with background information as to the consultative role of Overview and Scrutiny Committees and the work of the Standing Budget Research and Evaluation Panel in respect of the budget setting process.
- (iii) Inform Members of the results of the public consultation process in relation to the draft budget proposals.

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

2.1 The key improvement objectives identified in the Corporate Plan 2013–2017 have been embodied in the Overview & Scrutiny Forward Work Programmes. The amended Corporate Improvement Objectives adopted by Council on 19 February 2014 formally set out the improvement objectives that the Council will seek to implement between 2013 and 2017. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

3. Background.

The role of Overview & Scrutiny in the Budget Consultation Process

3.1 With regard to the role of Scrutiny as consultees within the budget setting process, the Welsh Assembly Guidance document regarding the Local Government Act 2000 (Part II), states that:

"In developing budget and formulating policy, the Executive will be responsible for any consultation which is required or necessary. The Executive should, at an early stage in the development of the budget and policies, consult the relevant Overview and Scrutiny Committees..."

3.2 Rules 2 a and b of the Authority's Budget and Policy Framework

Procedure Rules contained in the Constitution detail the following process by which the Budget shall be approved, as follows:

- (a) *The Cabinet will publicise by including it in the forward work programme a timetable for making proposals to the Council for the approval of the Budget, and its arrangements for consultation upon its initial Budget proposals. The Chairpersons of Overview and Scrutiny Committees will also be notified of the initial Budget proposals. The consultation period shall be not less than 4 weeks. If an Overview and Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so.*
- (b) *At the end of the consultation period and in accordance with the published timetable, the Cabinet will draw up firm proposals having regard to the responses to that consultation. The Cabinet will take any response from an Overview and Scrutiny Committee and other consultees into account in drawing up firm Budget proposals for submission to the Council, and its report to the Council will reflect the comments made by consultees and the Cabinet's response;*

Standing Budget Research & Evaluation Panel

3.3 In line with the process followed in previous years, it was agreed that each scrutiny committee would nominate two members to sit on the Standing Budget Research and Evaluation Panel (BREP). The nominations for the Children and Young People Overview and Scrutiny Committee were made at the meeting held on 10 June 2014.

3.4 The primary purpose of the BREP is to:

- achieve a detailed overview and assessment of the budget proposals where the expertise and knowledge pertaining to each Committee service area contributes to a Corporate understanding and appreciation of the draft budget proposals;
- To assist the Council to develop a budget that aims to meet the needs of the communities of Bridgend County Borough;
- To facilitate firmer understanding of the budget setting process and the draft proposals in order to assist the Committees in making informed comments, constructive challenge or recommendations to Cabinet as part of the budget consultation process.
- To achieve consensus on the direction of the budget over the life of the Medium Term Financial Strategy.

3.5 Consulting with Overview & Scrutiny Committees in this way can potentially lead to the following positive outcomes:

- Increased understanding of the budget setting process amongst Non-Executive Members;
- Enhanced Member input into the annual budget setting process;

- Achievement of wider representation of Community needs in discussions relating to anticipated changes to services;
- 3.6 The Standing BREP has met on a number of occasions and explored by means of semi-structured interviews with Directors and Heads of Service, management options that may inform the development of the draft Cabinet proposals both in relation to proposals related to medium and longer term reviews linked specifically to the Bridgend Change Programme as well as budget reductions and budget pressures for 2015-16.
- 3.7 Each Overview & Scrutiny Chair and respective nominated member contributed their service and Committee specific knowledge to the process which led to the Standing BREP achieving a wider understanding of the likely implications associated with proposals put forward.
- 3.8 The Standing BREP met with Cabinet and CMB on 12 December 2014 and will produce a final report back to the Corporate Resources and Improvement Overview and Scrutiny Committee on 19 January 2015.
- 3.9 Cabinet considered its draft budget proposals on 9 December 2014. The draft proposals are contained within the following documents appended to this report:
- Appendix 1 Report of the Section 151 Officer on the Medium Term Financial Strategy 2015 – 16 to 2018 - 19
 - Appendix A Budget Pressures
 - Appendix B Savings Proposals
 - Appendix C Capital Programme

Public Consultation Process

- 3.10 The “Budget Review 2015” consultation sought to obtain members of the public’s views in relation to how and where the local authority can make a reduction in its budget. The outcome of the consultation is summarised in the Cabinet report at Appendix 1. It is also the subject of a separate report, which is attached at Appendix D. Due to the size and format of the appendices to consultation report, these have not been printed but are available online. The consultation report and appendices were also presented to Cabinet at its meeting on 9 December 2014 for information purposes.

Members’ budget workshop summary.

- 3.11 On Tuesday 21 October 2014, 37 members attended a workshop specifically for members on the budget simulator and consultation overall. The two and a half hour event included a presentation to members giving detail of the public consultation and the budget simulator before a group workshop on the budget simulator followed by an individual questionnaire was handed out regarding discretionary services.
- 3.12 The questionnaires were designed specifically for members and were segregated by service area, each service area had several potential savings put forward by the financial department. Each option had a tick box with ‘remove completely, partially reduce, do not touch and no choice made’ as response options. 34 members responses were received, the main finding of which are summarised below:

- Childrens
 - Family Support Services received a 71 per cent ‘do not touch’ response from members
 - 71 per cent supported removing Home to School Transport entirely.
- Communities
 - Rights of Way, Street Lighting and Ground Maintenance, Parks, Outdoor Facilities had the largest support for reduction throughout the survey with a 91 per cent acceptance rate.
 - Rights of Way (62 per cent), Street Lighting (52 per cent) and Bereavement Services (52 per cent) received over 50 per cent acceptance for removing some of the operations entirely.
- Legal and Regulatory
 - All areas of Legal and Regulatory services included in the questionnaire were reduced except for Animal Welfare – receiving 52 per cent support.
- Resources
 - Communications and Marketing and Asset Rationalisation received 71 per cent support for a budgetary reduction.
 - Customer care and Contact Centre (56 per cent), CCTV (56 per cent) and Markets (59 per cent) all received over 50 per cent support for not reducing the budgets.
- Wellbeing
 - Two areas: Catering Provision and Play and Other Services both received a split 50/50 response. All other areas received support for a reduction.
- Corporate
 - 88 per cent supported a reduction in the Council Tax Reduction Scheme budget.

3.13 All members were invited to share their individual views by visiting the budget simulator online and also asked to encourage members of the public to respond or attend one of the six community engagement workshops.

3.14 As part of the event a feedback form was made available - 96 per cent of members rated the event ‘excellent’ or ‘good’. Encouragingly all members (100 per cent) stated the event was relevant information for the future. Where relevant, feedback from the members’ event was used for the community engagement workshops.

4 Current Situation

Role of the Committee

4.1 The role of the Committee is to consider the draft budget proposals as they relate to the Children’s Directorate and offer any comments or recommendations to Cabinet.

4.2 Members may wish to consider the following points which relate to previous discussions and concerns of the Committee, and may assist them in formulating their questions to the invitees:

Comments made by the Committee during last year's budget consultation process:

1. CH5/CH8/CH11 – the Committee noted the developments as outlined in the report to Cabinet dated the 10th December 2013 and following discussion, the Committee wished to reiterate the comments and recommendations made by the Committee when it considered the Learner Transport Policy as a whole at its previous meeting on the 30th September 2013.
2. The Committee were supportive of Proposal (a) in relation to Rationalisation of SEN (Special Education Needs) transport and commented that strong management would be the key in terms of implementation and monitoring.
3. Further to this, the Committee requested that as part of the rationalisation of SEN transport that Officers explore whether the Authority was double funding for SEN pupils who also received a Disability Living Allowance at the highest rate for mobility, as that allowance included and allowance/car for transport for their child.

The Committee made the following recommendations:

- A. That the Home to School Transport provision for Voluntary Aided Schools remained in line with the proposals for Welsh Medium Schools, whereby transport would be provided irrespective of whether there were alternative non-faith or non-Welsh schools being closer.
- B. That should any reductions be made to Home to College Transport, the Committee would strongly support mitigation measure 3 in the report, "...to provide free transport for those students in receipt of an Education Maintenance Allowance (EMA) and who live outside the qualifying distance criterion of 3 miles".
- C. The Committee expressed concern regarding the proposal for charging for post-16 transport, as it would not treat all learners equally, given that the proposal was to partially subsidise transport for school learners with no similar proposal for college learners. The Committee therefore recommended that should this proposal be taken forward, in order to treat all learners equally there should be similar provision in place for post-16 college learners, such as a comparable contribution towards bus passes.
- D. That any proposals for changes to school transport should be regarded as a phased approach, whereby the changes are introduced incrementally. The Committee therefore recommended that a phased approach was particularly important in relation to proposal (c): to remove provision for Voluntary Aided schools where the school was not the nearest available school, and beyond the statutory distance.
- E. That termly payments for 'paying places' (as opposed to annual payments) be more widely promoted to parents in order to assist and encourage parents to take up those places.
- F. That further discussions be held with Further Education providers to determine whether they could assist in contributing towards transport for their learners.

The Committee further highlighted the following as areas that still needed to be considered for any proposed changes to Learner Transport:

- Road Safety Issues;
- All routes need to be risk assessed;
- Impact of increases in cars outside schools as a result of proposed changes to Learner Transport;
- Impact on attendance as a result of proposed changes to Learner Transport;
- Potential risks to children as there is no legal requirement for parents to accompany children to school, which could lead to an increase in children of a young age walking to school unaccompanied;
- Impact of proposed changes on the Authority's NEETs figures;
- Impact on the 14-19 Collaboration Agenda – Members highlighted this as a risk given the uncertainty of future grant funding for pupils' transport under this project. If grant funding were to be removed, those pupils would fall under the same transport policy as other learners and could therefore be greatly affected by the proposed changes to Learner Transport.

The Committee concluded by requesting the Learner Transport Policy be presented as a pre-decision scrutiny item following consultation, prior to any final decision being made by Cabinet.

CH13 – The Committee was concerned at the proposal to cease the complex needs play scheme and whether an Equality Impact Assessment had been undertaken. The Committee requested that those proposals be reconsidered, due to the impact it may have on a vulnerable section of society. The Committee would welcome that different avenues are explored to ensure that the complex needs play scheme continued.

CH12/15 – The Committee noted the budget savings proposals and the intention to bring them in line both within Western Bay and Welsh Government guidelines. Although the Committee were reassured that those proposals had been shared with Foster Carers, the Committee would monitor the proposal and requested regular updates on any adverse impacts.

CH19 – The Committee expressed concern regarding the impact this proposal would have on those families who may struggle to fully meet the costs. The Committee therefore recommended that consideration and protection be given to those pupils entitled to Free School Meals, to ensure that those groups would continue to benefit from having music lessons.

The Committee noted that the Authority may not be recouping payments from other local authorities in respect of education provision it provided to out of county children within the Special Needs Unit at the Princess of Wales Hospital, Bridgend, and therefore recommended that this be followed up, and that the Committee be provided with a progress report on the matter.

- 4.3 Through the Standing BREP process a series of comments have been developed on the budget proposals which are included as the first four suggested areas for discussion. The Committee may wish to include these to assist its overall consideration of the draft budget proposals as they relate to the Communities Directorate.

Points for Discussion

- a) *What monitoring measures will be taken to ensure that budget reduction measures are on track at the beginning of the financial year, and where slippage is identified or proposals are unachievable, at what point will the Directorate be asked to identify alternatives?*
- b) *Are contingency budget reduction proposals being progressed with, should some of the current budget reduction proposals be unachievable?*
- c) *What are the risks associated with collaboration/ partnership working and the pooling of resources and is it clear whether collaborative activity undertaken so far has resulted in greater efficiencies for the Directorate and the Authority as a whole?*
- d) *Should a corporate approach be adopted in the authority of moving towards applying minimum standards to those statutory services where it is able to and only consideration being given to improving these minimum standards once budgets allow?*
- e) *Is the Committee confident that the explanations provided within the report in relation to the impact of each saving proposal are sufficiently detailed?*
- f) *At 4.26, the report requests that Cabinet 'reverse the decision they made on 1 April 2014 to top-slice £750,000 from delegated schools' budgets. If this decision is reversed, where will this shortfall in savings be found?*
- g) *The proposal to remodel Children's Residential Care (CH22) suggests a cut of 73% to their total budget, what is the rationale behind this proposal given that the service has already undergone a restructure in 2012?*
- h) *How have the savings put forward in relation to the reduction of LAC numbers (CH25) been calculated? How is this to be achieved and how realistic is the target?*
- i) *How can Members be confident that the 'one off' budget pressure of £350,000 for LAC put forward will not be repeated next year and therefore the savings proposal for LAC will not be achieved?*
- j) *Savings proposal CH12 proposes a reduction to the catering budget. Is this based on the current underspend being experienced in this service and has the potential impact of the remodelling of the Meals at Home service been taken into account for this proposal?*

Role of the Corporate Resources & Improvement Overview & Scrutiny Committee (CRI)

- 4.4 Members are reminded of the CRI Committee's co-ordinating role in the annual budget consultation process on behalf of the other Overview & Scrutiny Committees. The CRI Committee is also required to provide a strategic overview of Cabinet's draft budget proposals.

4.5 This will take place at the CRI's Committee meeting scheduled for 19 January 2015 where Members will consider the discussions and recommendations offered by other Scrutiny Committees, and be presented with the final report of the Budget Research & Evaluation Panel.

5. Effect upon Policy Framework and Procedure Rules.

5.1 The work of the Children and Young People Overview and Scrutiny Committee relates to the review and development of plans, policy or strategy that form part of the Policy Framework and consideration of plans, policy or strategy relating to the power to promote or improve economic, social or environmental well being in the County Borough of Bridgend.

6. Equality Impact Assessment

6.1 The Equalities implications are outlined in the Officer's report which is attached as Appendix 1.

7. Financial Implications

7.1 This item relates to the role of Overview & Scrutiny Committees as consultees in respect of the budget setting process. No financial implications arise directly from the Committee's consideration of the proposals as this is ultimately a matter for decision by Cabinet and Council.

8. Recommendation

Committee Members are asked to:

- (i) Consider the information contained in the report and attached appendices;
- (ii) Determine whether it wishes to make any comments or recommendations relating to Cabinet's draft budget proposals as part of the budget consultation process.

Andrew Jolley,
Assistant Chief Executive – Legal & Regulatory Services

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BRIDGEND COUNTY BOROUGH COUNCIL**REPORT TO CABINET****9 DECEMBER 2014****REPORT OF THE SECTION 151 OFFICER****MEDIUM TERM FINANCIAL STRATEGY 2015-16 to 2018-19****1. Purpose**

- 1.1 The purpose of this report is to present Cabinet with the Medium Term Financial Strategy 2015-16 to 2018-19, which includes a financial forecast for 2015-19, a detailed draft revenue budget for 2015-16 and a draft revised Capital Programme for 2015-16 to 2024-25.

2. Connections to the Corporate Plan

- 2.1 The Corporate Plan and Medium Term Financial Strategy (MTFS) identify the Council's service and resource priorities for the next four financial years, with particular focus on 2015-16.

3. Background**Corporate Plan - Policy Context**

- 3.1 The Council reviews its Corporate Plan each year to ensure it continues to reflect the Council's corporate improvement priorities, commitments and performance indicators. The Council's six corporate improvement priorities and specific commitments for 2015-16 are currently under review. The final plan will be presented to Council for approval alongside the MTFS 2015-19 in February 2015. The final Corporate Plan and MTFS will be fully aligned and will include explicit links between resources and corporate priorities.
- 3.2 The Council's MTFS is set within the context of UK economic and public expenditure plans, Welsh Government priorities and legislative programme. The MTFS articulates how the Council plans to use its resources to support the achievement of its corporate priorities and statutory duties, including the management of financial pressures and risks over the next four years. It helps the Council work more effectively with partners in other sectors and provides a strategy for the use of balances to meet changes in resources or demands from year to year without impacting unduly on services or council tax payers.
- 3.3 The MTFS includes:
- The principles that will govern the strategy and a four year financial forecast, comprising detailed proposals for 2015-16 and outline proposals for 2016-17 to 2018-19.

- The capital programme for 2015-16 to 2024-25, linked to priority areas for capital investment and Capital Financing Strategy.
- The Treasury Management Strategy and Corporate Risk Register, which will both be updated and included in the final MTFS in February 2015.

The Financial Context

- 3.4 The Chancellor of the Exchequer reported in his 2013 Autumn Statement that the economy was growing faster than had been expected and he reinforced the UK Government's commitment to the long term economic plan set out in 2010. The UK budget deficit remains both higher than last year (net borrowing to October of £64.1 billion compared to £60.5 billion in 2013) and well behind the Office of Budget Responsibility forecast, which estimated that net borrowing would fall by 11.2% over the whole year.
- 3.5 At the time of the 2014-15 Final Settlement the then Minister for Local Government advised councils of a 2015-16 indicative settlement of -1.5%, but caveated that this could be subject to change. The MTFS approved by Council in February 2014 assumed settlement reductions of -3.0% for 2015-16, -4.0% for 2016-17 and -2.0% for 2017-18. However, in June 2014 the Minister recommended that local councils consider how to respond to reductions in future years of as much as -4.5% per annum. As a result revised assumptions have been built into the MTFS of -4.5% for the four years 2015-16 to 2018-19.
- 3.6 The UK Government Settlement to the Welsh Government for 2015-16 is a cash reduction of -0.4%. There is no settlement at this point for future years. On 30 September 2014 the Welsh Government published its draft budget which included £425m of extra funding to the Welsh NHS over 2014-15 and 2015-16 "to deliver high quality, sustainable health services".

Welsh Government Provisional Local Government Settlement 2015-16

- 3.7 On 8 October councils received the Provisional Local Government Settlement which provided an average -3.4% reduction in Aggregate External Finance (AEF) for 2015-16 across Wales (after allowing for transfers into and out of the Settlement). It shows Bridgend's reduction as being -3.4%. However, the published figures do not recognise that additional funding of £10 million in the settlement for social care appears to have replaced funding that was previously provided, albeit in the form of a specific grant. When this is taken into account the reduction across Wales is -3.6% and -3.6% for Bridgend. Councils were advised that the settlement also includes sufficient funding to protect school budgets equivalent to 1% above the change in the Welsh Government's Revenue Budget. This equates to a 0.6% cash increase or £508,000 for BCBC.

Settlement Implications for 2016 to 2019

- 3.8 The Minister has given no indication of the indicative allocations for 2016-17 onwards, but in view of current economic and fiscal projections and in the absence of other information the most likely scenario in the MTFS is that predicated on an assumption that AEF will reduce by 4.5% for 2016-17, 2017-18 and 2018-19.

Based on these assumptions the total recurrent savings required from 2016-17 to 2018-19 amount to £37.6 million.

Grant Transfers into the 2015-16 Revenue Settlement

- 3.9 There have been a number of transfers into and out of the provisional settlement for 2015-16, amounting to £298,000 net transfer into the Council:

Transfers in:

- Local Government Borrowing Initiative (LGBI) for 21st Century Schools (£115,000)
- Integrated Family Support Service (£288,000)
- Autistic Spectrum Disorder (£40,000)

Transfers out:

- Student Finance Wales (£111,000)
- Food Safety Controls (£22,000)
- National Adoption Service (£12,000)

- 3.10 The transfer out of £111,000 for Student Finance Wales is in respect of the transfer of new responsibilities to the Student Loans Company in February 2014.

Regional Collaboration Fund (RCF) / Intermediate Care Fund (ICF)

- 3.11 Welsh Government has advised local authorities that they are not able to confirm the future position on funding available under RCF until the Welsh Government Final Budget is tabled and agreed in early December. We understand that there is £5 million in the Welsh Government Draft Budget to support RCF projects that were approved and offered funding in 2013. There is no future funding in the Draft Budget for the ICF which is £50 million in 2014-15 (£35 million revenue and £15 million capital).

Council Tax

- 3.12 In his statement the Minister advised that when drawing up budget plans for 2015-16 he expects local authorities “to look at all income streams including council tax” and advises councils that Welsh Government offers considerable flexibility to authorities in Wales which is not available to their counterparts in England where restrictive freezes apply. The 2015-16 draft Revenue Budget, shown in Table 6, assumes a Council tax increase of 4.8% based on an appropriate balance between the needs of the council and its citizens.

Welsh Government Capital Settlement

- 3.13 In February 2014 Council approved a capital programme for 2014-15 to 2023-24, based on the assumption that annual Welsh Government capital funding would be flat lined from 2015-16 onwards. 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. The draft local government capital settlement for 2015-16 provides this Council with £6.288 million capital funding for 2015-16, which is £36,000 less than 2014-15. No indications have been given for 2016-17 or beyond.

Current Year (2014-15) Financial Performance

3.14 The in-year financial position as at the 30 September 2014 is shown below.

Table 1- Comparison of budget against projected outturn at 30 September 2014

Directorate/Divisions	Budget 2014-15 £'000	Projected Outturn 2014-15 £'000	Projected Over / (Under) Spend Qtr 2 2014-15 £'000	Projected Over / (Under) Spend Qtr 1 2014-15 £'000
Directorate				
Children	124,990	124,990	0	230
Wellbeing	43,346	43,493	147	0
Communities	26,239	26,418	179	(75)
Resources	16,622	16,704	82	(28)
Legal & Regulatory Services	6,496	6,067	(429)	(206)
Total Directorate Budgets	217,693	217,672	(21)	(79)
Council Wide Budgets	37,438	37,438	0	0
Total	255,131	255,110	(21)	(79)

- 3.15 At the half year stage, an overall under spend of £21,000 is projected on Directorate budgets. This demonstrates consistent and close monitoring of Council budgets over time and very focused and determined action by Directorates to maintain balanced budgets. The budget approved for 2014-15 included saving proposals of £11.274 million (8.6% of net service budgets excluding schools). While some of these proposals may not be achievable, due to longer delivery timescales, alternatives have been identified and are being delivered as part of Directors' recovery plans. The forecast outturn also masks some underlying budget pressures which are addressed in the 2015-16 draft revenue budget in Table 6.
- 3.16 In accordance with the Council's Financial Procedure Rules any planned over spends or under spends by directorates will be carried forward into next year to meet known funding pressures. Fortuitous under spends in budgets will be applied to offset over spends on other budgets.

4. Current Situation

Medium Term Financial Strategy (MTFS) 2015-16 to 2018-19

- 4.1 This section of the report sets out the proposed MTFS for the Council for the next four financial years, based on the latest information available from the Welsh Government. It does not include fixed funding, expenditure or activity projections, but sets best, worst and most likely scenarios for the resources that will be available. The MTFS is reviewed regularly and amended as additional information

becomes available, with the detail for future years being developed over the period of the strategy.

- 4.2 The development of the MTFS 2015-16 to 2018-19 has been led by Cabinet and CMB and has taken into account auditors' views and issues arising in 2014-15, underpinned by the ongoing aim to embed a culture of medium term financial planning closely aligned with corporate planning.
- 4.3 Implementation of the MTFS will continue to be led by Cabinet and CMB, supported by financial and performance data. The Council will seek to ensure that it is widely understood by internal stakeholders (Members, employees and Unions) and external stakeholders (citizens, businesses and partners). As well as linking explicitly to the Council's corporate priorities the MTFS also links to other internal resource strategies such as the Workforce Development Plan, the ICT Strategy, the Asset Management Plan and Bridgend Change Programme (BCP).

MTFS Principles

- 4.4 As well as consideration of future income and expenditure scenarios, the MTFS provides a set of clear principles which drive the budget and spending decisions over 2015-2019 and which Members and others can examine and judge the Council's financial performance against. The fourteen key principles are to ensure that:
1. The Council continues to meet its statutory obligations and demonstrates how it directs resources to meet the Council's corporate priorities.
 2. Adequate provision is made to meet outstanding and reasonably foreseen liabilities.
 3. The financial control system is sufficiently robust to support the delivery of financial plans and mitigate corporate risks.
 4. Budgets will be reviewed annually to ensure existing and forecast spend is still required and to identify further efficiency savings as required to meet inescapable budget pressures.
 5. Financial plans provide an optimum balance between income and expenditure for both capital and revenue.
 6. All services seek to provide value for money and contribute to public value.
 7. Balances are not used to fund recurrent budget pressures or to keep down council tax rises unless an equivalent saving or increase in council tax is made in the following year in recognition that balances are a one-off resource.
 8. The Council Fund balance will be maintained at a minimum of £7 million over the MTFS period.

9. Capital investment decisions support the Council's corporate priorities and mitigate any statutory risks taking account of return on investment and sound option appraisals.
10. Prudential borrowing is only used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
11. Decisions on the treatment of surplus assets are based on an assessment of the potential contribution to the revenue budget and the capital programme.
12. Sufficient resources are made available to deliver the Bridgend Change Programme.
13. Other resource strategies (including the Workforce Development Plan, Treasury Management Strategy, ICT Strategy and Asset Management Plan) are kept under review to maintain alignment with the MTFS and the Corporate Plan.
14. Budgets will be managed by Corporate Directors in accordance with the Council's Financial Procedure Rules.

MTFS Resource Envelope

- 4.5 The MTFS planning assumptions for 2016-17, 2017-18 and 2018-19 are based on a reduction in AEF of -4.5% and an assumed increase in council tax of 4.5% each year. The 2015-16 AEF figure is -3.4% based on the published Provisional Settlement. However, these assumptions, together with forecast pressures and risks are all subject to change not least due to continuing economic uncertainty as well as national legislative and policy developments. The MTFS will be regularly reviewed against service performance and external economic and fiscal information to ensure that early action can be taken as necessary to keep it and the Corporate Plan on track. In view of the uncertainties, the MTFS has been developed taking into account possible resource envelope scenarios, based on percentage changes in AEF shown in Table 2.

Table 2 – MTFS Scenarios: % Change in AEF

	2015-16	2016-17	2017-18	2018-19
	% Change	% Change	% Change	% Change
Best Scenario		-3.0%	-3.0%	-3.0%
Most Likely Scenario	-3.4%	-4.5%	-4.5%	-4.5%
Worst Scenario		-6.0%	-6.0%	-6.0%

- 4.6 Table 3 shows the Council's potential net savings requirement based on the forecast resource envelope (paragraph 4.5), inescapable spending assumptions (paragraph 4.7) and an assumed increase in council tax of 4.5% each year.

Table 3: MTFS Potential Net Savings Requirement

	2015-16	2016-17	2017-18	2018-19	Total
	£000	£000	£000	£000	£000
Best Scenario	11,225	10,738	9,647	9,347	40,956
Most Likely Scenario	11,225	13,566	12,263	11,763	48,817
Worst Scenario	11,225	16,394	14,794	14,021	56,434

Managing within the MTFS Resource Envelope

4.7 The financial forecast is also predicated on £48.82 million savings being met from Directorate and Corporate budgets and these are referred to later in the report. It is also predicated on a number of spending assumptions, including:

- Projections for demographic changes, including an ageing population and an increasing number of young people with complex disabilities living into adulthood and adding progressively to the demand for care.
- Inflationary uplifts to support specific contractual commitments.
- Inflation for energy costs of 6.2% based on notification of known increases and projected forward pricing.
- The potential impact of national policies and new legislation not accompanied by commensurate funding e.g. Welfare Reform Bill, Social Services and Wellbeing Act, Housing Act and auto enrolment related to the provision of employee pension schemes.
- A projected increase of 0.2% in 2015-16, 0.3% in 2016-17 and a further 0.2% in 2017-18 in employers' pension contributions resulting from the triennial Actuarial Valuation. There are additional increases in employers' contributions for teachers' pensions of 2.3%.
- The removal of the National Insurance Contribution rebate as a result of the introduction of the single tier state pension in April 2016.
- Fees and Charges will increase by the statutory minimum or CPI (at prevailing rate, currently 1.3%) plus 1%.
- Services will absorb within budgets non contractual inflationary pressures of up to the prevailing CPI rate.

Net savings requirement

4.8 Savings proposals are being developed by officers to meet the £48.82 million requirement and Table 4 shows the current risk status of those identified so far.

Table 4 - Risk Status of Savings Proposals 2015-16 to 2018-19

Year	GREEN	AMBER	RED	Total Savings Identified	Yet to be Identified	Total Required
	£000	£000	£000	£000	£000	£000
2015-16	5,518	4,437	1,270	11,225	0	11,225
2016-17	2,548	4,499	3,991	11,038	2,528	13,566
2017-18	80	458	5,810	6,348	5,915	12,263
2018-19	0	0	0	0	11,763	11,763
Total Identified	8,146	9,394	11,071	28,611	20,206	48,817
% Identified	28.47%	32.83%	38.70%			

Risk Status Key:

RED Proposals in Development

AMBER Implementation Plans in Development

GREEN Implementation Plans in Place

4.9 The savings proposals identified can be categorised as:

- I. Making Best Use of Resources
- II. Managed Service Reductions
- III. Collaboration and Service Transformation; and
- IV. Policy Changes

4.10 The value of savings proposals identified to date (i.e. up to 2017-18 only at this stage) is shown in Table 5 by category. The categories are also shown by individual proposal in Appendix B.

Table 5 – Savings Proposals 2015-16 to 2018-19

	2015-16	2016-17	2017-18	Total	%
	£'000	£'000	£'000	£'000	
Making Best Use of Resources	6,398	6,749	2,273	15,420	53.9
Managed Service Reductions	1,327	1,255	677	3,259	11.4
Collaboration & Service Transformation	1,506	1,154	118	2,778	9.7
Policy Changes	1,994	1,880	3,280	7,154	25.0
Total Identified as at 30.11.2014	11,225	11,038	6,348	28,611	

4.11 The table shows that over fifty percent of the proposed savings identified so far will come from Making Best Use of Resources, for example through:

- Retendering learner transport contracts
- Modernising the school estate
- Waste management initiatives
- Remodelling health and social care
- School transport route efficiencies
- Staffing restructures

- 4.12 Savings proposals relating to Collaboration and Service Transformation amount to 9.7% of the total savings. These include remodelling cultural services and adult social care, regulatory services and youth offending services. Policy changes amount to 25% and include reducing services to the statutory minimum as well as cutting some discretionary services. The policy change proposals are subject to consultation.
- 4.13 All of the proposals have implications for the Council workforce given that 69% of the Council's net revenue budget relates to pay costs. It follows that annual real terms reductions in Council budgets over the next four years will lead to a reduced workforce over the MTFs period. The intention is to manage such a reduction through the continuation of a recruitment freeze, redeployment, early retirements and voluntary redundancies, but some compulsory redundancies will continue to be necessary.

Scrutiny and Challenge

- 4.14 As stated in paragraph 4.2 Cabinet and CMB are seeking to embed a culture of medium term planning within the Council. Against that background, further efforts have been made in 2014-15 to secure greater involvement of stakeholders.
- 4.15 A full consultation on the MTFs has been undertaken over a six week period during October and November, including a budget simulation exercise and community engagement workshops. The results are presented in a separate Cabinet report, but in broad terms a total 443 responses were received with consistent feedback from all engagement methods. The level of engagement with young people was increased through use of the budget simulator and social media communication.
- 4.16 The budget consultation showed that 50% of participants believed they were very aware of the current financial situation. In being asked how respondents would manage the budget all services received a minimum reduction of 3%. The service area responses showed that:

Service Area	% of Respondents proposing a reduction in budget	Average reduction proposed
Corporate Functions	85%	30%
Resources	74%	14%
Legal and Regulatory Services	68%	13%
Sport, Play and Active Wellbeing	54%	6%

Schools and Adult Social Care were both the least likely to be decreased and/or maintained.

- 4.17 There was majority support for introducing a charge for pest control, parking charges for Blue Badge holders in our off-street car parks and for introducing a percentage charge for credit card payments made to the Council. 64% of respondents voted 'yes' to delivering libraries and cultural services through a not for profit trust. This was the most supported proposal, offering a potential saving of

£391,000. A review of home to school transport received a split 50:50 response rate between yes and no - this is currently under public consultation (closing date of 22 December 2014). The associated saving is estimated to be £550,000. Over one in three (36%) believed that residents could help to reduce demand on the council by taking more personal responsibility. This is also supported by other respondents suggesting a need for third party and/or voluntary/co-production collaboration.

- 4.18 In addition to the public consultation Members have participated in the planning process through the Budget Research and Evaluation Panel, Council briefings and a specific Members' budget workshop. The Town and Community Councils (TCC) and the third sector have also been engaged through the TCC Forum and the Third Sector Review project.

2015-16 Draft Revenue Budget

- 4.19 The following table shows the draft revenue budget for 2015-16. It includes specific grants transferring into the settlement as outlined in paragraphs 3.9 and 3.10.

Table 6 –Draft Revenue Budget 2015-16

	Revised Budget 2014-15	Specific Grant Transfers from WG	School Protection	Pension Changes	Pay / Prices / Demographics	Unavoidable Budget Pressures	Savings	Revenue Budget 2015-16
	£000	£000	£000	£000	£000	£000	£000	£000
Service Budgets								
Childrens	40,344	341		89	456		-2,667	38,563
Schools	84,748		508				-170	85,086
Adult Social Care	40,415	483		78	1,511	1,398	-2,787	41,098
Sport, Play and Active Wellbeing	2,975			17	79		-277	2,794
Communities	26,535			120	399	243	-2,488	24,809
Resources	14,969			53	325	554	-1,337	14,564
Legal & Regulatory Services	6,519	-22		14	69		-554	6,026
Corporate Budgets								
Capital Financing	10,515						-200	10,315
Levies	7,030						-102	6,928
Repairs and Maintenance	1,150						-50	1,100
CTR Scheme	13,825				622		-193	14,254
Pension Related Costs	1,361			-171				1,190
Insurance Premiums	1,737							1,737
Other Corporate Budgets	3,008	-61			388	936	-400	3,871
Net Budget Requirement	255,131	741	508	200	3,849	3,131	-11,225	252,335

Council Tax Implications

- 4.20 Based on the proposed budget of £252,335 million the council tax increase for 2015-16 will be 4.8%.

Pay, Prices and Demographics

- 4.21 The additional cost to the Council of the agreed NJC pay award for the period April 2015 to March 2016 is estimated to be £1.897 million (including £452,000 relating to schools) and is allocated to directorate budgets. Funding has also been allocated to adult social care budget to meet demographic pressures in line with paragraph 4.7 above.
- 4.22 Price inflation has been allocated to service budgets and includes provision for contractual increases in business rates, food costs, energy costs and other commitments. In addition, provision has been made for an estimated increase in employer pension contributions from 1 April 2015.
- 4.23 The remaining inflation provision will be retained centrally within corporate budgets and reviewed pending the outcome of any unforeseen demand led contract price inflation in relation to, for example, Out of County Education placement agreements or adjustments which may be required to meet contractual increases where the index is set after the council's budget is approved.

Unavoidable Pressures

- 4.24 During 2014-15 a number of unavoidable 2015-16 service budget pressures have arisen totalling £3.131 million, detailed in Appendix A. These have been categorised into one-off pressures, with varying degrees of probability, and more certain and recurring pressures. In total for 2015-16, the recurring pressures total £2.195 million. The one-off pressures total £936,000 and an earmarked reserve will be required to fund them, should they arise during 2015-16. The pressures figures are provisional at this stage and will be refined. As such they may change between draft and final budget.

Savings

- 4.25 Savings proposals of £11.225 million have been identified from service and corporate budgets to achieve a balanced budget, detailed in Appendix B.
- 4.26 The delegated schools' budget has been completely protected from the average 8.5% savings that other directorates have had to find. In order to meet this protection commitment, Cabinet is requested to reverse the decision they made on 1 April 2014 to top-slice £750,000 (half of the £1.5 million savings associated with changes to the early years policy) from delegated schools' budgets. This decision will be deferred and reviewed for 2016-17 in line with the Welsh Government's view on school protection for that year. The 2015-16 draft budget also provides an additional £508,000 to the schools' budget to meet the Welsh Government's 1% protection commitment.

Corporate Budgets

- 4.27 Corporate budgets include funding for the Council tax reduction scheme, costs of financing capital expenditure, the unallocated inflation budget, a central contingency provision, discretionary rate relief, provision for redundancy related costs and the carbon reduction commitment.
- 4.28 The income budget for the Outcome Agreement Grant (OAG), which underpins base budgets by £1.4 million, is also included in corporate budgets. This is

dependent on the achievement of specific outcomes linked to targets set by the authority and agreed with Welsh Government. This figure has not yet been confirmed for 2015-16.

Fees and Charges

- 4.29 Generally, income from fees and charges will be increased by CPI (at the prevailing rate, currently 1.3%) plus 1%, subject to rounding, or in line with statutory or service requirements. Schedules of fees and charges will be reported separately, as usual, under Delegated Powers.

Council Reserves

- 4.30 In line with the MTFs principle 8, the Council Fund balance will be £7.4 million in 2015-16. Details of the Council's earmarked reserves are shown in Table 7. These are kept under review and the forecast may therefore change in the Final MTFs report to Council in February 2015.

Table 7 – General Fund and Usable Earmarked Reserves

Opening Balance 1 April 2014 £'000	Reserve	Movement 2014-15 £'000	Closing Balance 31 March 2015 £'000	Movement 2015-16 £'000	Closing Balance 31 March 2016 £'000
7,395	Council Fund Balance	-	7,395	-	7,395
	Earmarked Balances :-				
348	Asset Management Plan	-	348	-	348
987	Building Maintenance Reserve	(367)	620	(620)	-
300	Capital feasibility fund	-	300	-	300
5,513	Capital Programme Contribution	(394)	5,119	(606)	4,513
555	Car Parking Strategy	-	555	(555)	-
2,069	Change Management	(1,141)	928	(328)	600
196	Connecting Families	(76)	120	(120)	-
330	Directorate Issues	(330)	-	-	-
201	Election costs	-	201	-	201
1,257	ICT & Finance Systems	(287)	970	(690)	280
1,691	Insurance reserve	(81)	1,610	-	1,610
411	Invest to save / Joint projects	(261)	150	(150)	-
824	Looked After Children	(100)	724	(724)	-
11,046	Major Claims Reserve	(913)	10,133	(3,800)	6,333
300	Porthcawl regeneration	(157)	143	7	150
1,200	Service Pressures Contingency	(34)	1,166	(1,166)	-
3,052	Service Reconfiguration / Severance Costs	(1,000)	2,052	948	3,000
1,044	Treasury Management Reserve	-	1,044	-	1,044
50	Unitary Development Plan	20	70	(70)	-
300	Welfare Reform Bill	-	300	-	300
707	Wellbeing Projects	(335)	372	(372)	-
32,381	Total Earmarked Reserves	(5,456)	26,925	(8,246)	18,679
39,776	Total Usable Reserves	(5,456)	34,320	(8,246)	26,074

Capital Programme and Capital Financing Strategy

- 4.31 This section of the report deals with the proposed Capital Programme for 2015-16 to 2024-25, which forms part of, but extends beyond the MTFS. It also covers the Council's capital financing strategy (including prudential borrowing and capital receipts forecast). Both have been developed in line with the MTFS principles and reflect the Welsh Government provisional capital settlement for 2015-16, which provides general capital funding for the Council for 2015-16 of £6.288 million of which £3.909m is un-hypothecated supported borrowing and the remainder £2.379m as general capital grant. No indicative allocations have been provided for 2016-17, so for now it is assumed that this level of funding will remain constant for years after 2015-16, but this will be indicative only.

Capital Programme

- 4.32 Development of the proposed Capital Programme has involved a review of the current programme in light of the provisional settlement as well as historical annual allocations to certain service areas e.g. Disabled Facility Grants (DFGs) and Special Regeneration Funding (SRF). Appendix C sets out the revised capital programme by Directorate for the period 2015-16 to 2024-25.
- 4.33 The programme proposed contains a number of significant strategic investment projects that will support a number of corporate priorities as described below. Outline proposals have been developed for a number of projects linked to council priorities which will be considered for inclusion in the capital programme following the preparation of detailed business plans and once further capital funding becomes available.

Raising aspirations and improving educational achievement

- 4.34 The Schools' Modernisation and Investment programme forms a cornerstone of the corporate priority to raise aspirations and improve educational achievement, by improving the learning environment. School modernisation and school improvement complement each other, and well established collaborative arrangements are taking forward strategies to enhance teaching and learning and school leadership, supported by state of the art buildings and the innovative use of new technology. The Welsh Government has committed to fund 50% (£22.475 million) of the total costs for Band A priority projects, through a combination of capital grant and the Local Government Borrowing Initiative. To receive this funding the Council needs to submit detailed business cases for each project including details of how the Council's 50% match funding (£22.475 million) required from the Council will be provided. Council has agreed that this would be met from core funding allocations of £5 million, anticipated S106 funding of £4 million and projected receipts from the sale of school and other sites, and central funding, of £13.475 million.
- 4.35 The programme is based on the current estimated expenditure profile over the funding period. Once further details are known there are likely to be changes required to the timing and funding profile of the 21st Century schools projects within the capital programme. This is an ambitious programme and it is essential that the planned capital receipts already committed and ring fenced from the sale of school

sites to finance the programme are retained for this purpose. Any change to this commitment would require Council approval.

4.36 In the meantime, the following projects have been included in the Council's approved programme, but funding for each project will not be confirmed until Welsh Government approves the final business case and sufficient capital receipts have been generated:

- Coety / Parc Derwen Primary School
- Special Education Needs Provision
- Garw Valley South Primary Provision
- Pencoed Primary School
- Gateway Primary Provision
- Mynydd Cynffig Primary School
- Heronsbridge Special School

Supporting the Local Economy

4.37 The proposed capital programme includes a number of projects which will help to support the local economy through infrastructure investment, regeneration and town centre developments.

Capital Minor Works

4.38 The capital programme includes an annual allocation of funding to tackle the backlog of capital minor repairs and maintenance works in the Council's existing buildings and non-buildings infrastructure, as well as energy management, fire prevention and DDA capital schemes. A similar budget is also available in the revenue budget to tackle revenue related works. The allocation proposed for 2015-16 for capital minor works remains at £1.1million. However, it is proposed to top-slice the revenue budget by £50,000 in 2015-16, as in 2014-15, to fund prudential borrowing to the value of £500,000 to enable the Council to progress major packages of repair.

Capital Programme Fixed Allocations

4.39 The Capital Programme contains a number of fixed annual allocations which are shown in Table 8 below.

Table 8 – Current annual allocations of capital funding

	2014-15 £'000	2015-16 £'000	2016-17 £'000	2015-16 as %age of GCF
Highways Capitalised Repairs	200	200	200	3.2%
Transportation Capitalised Repairs	250	250	250	3.4%
Disabled Facilities Grant	2,350	2,350	2,350	37.4%
Housing Renewal Schemes	100	100	100	1.6%
Special Regeneration Funding	540	540	540	8.9%
Minor Works	1,100	1,100	1,100	17.5%
Community Projects	50	50	50	0.8%
Total	4,590	4,590	4,590	72.8%

4.40 Against the background of the reductions in capital funding, these annual allocations have been reviewed and the following proposed for the 2015-16 capital programme:

- Highways and Transportation Capitalised Repairs – unchanged now that the Local Government Borrowing Initiative has come to an end;
- Minor works – £1.1 million core funding plus £500,000 funded from prudential borrowing, to help address the backlog maintenance requirements in existing property assets;
- Housing Renewal and DFGs – Cabinet agreed in November 2013 to allow this funding to be used for two additional grants - the Healthy Home Assistance and Homes in Town grants. It is proposed to keep these allocations at existing levels;
- Strategic Regeneration Fund (SRF) allocations are committed to projects up to 2016-17. However, following announcement of the Welsh Government's Structural Funding Programme 2014-20, and the additional funding that can be secured using the SRF as matched funding, it is proposed to extend the period of matched funding in the capital programme up to and including the 2020-21 financial year.
- Since 2008-09 Town and Community Councils have been able to apply for match funding from the Council for local projects and as a result a number of worthwhile community projects have been developed. Funding of £50,000 has been allocated for 2015-16.

Maximising Space and Technology (MST) programme

4.41 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

4.42 On 11 November 2014 Cabinet 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. Cabinet agreed to include the capital works within a revised capital programme.

Provision of a Playground at Ffordd yr Eglwys, North Cornelly

4.43 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

- 4.44 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.

Capital Financing Strategy

- 4.45 The Capital Financing Strategy is underpinned by the Council's Treasury Management Strategy. The two key principles used in the Capital Financing Strategy are:
1. Decisions on the treatment of surplus assets are based on an assessment of the potential contribution to the revenue budget and the capital programme.
 2. Prudential borrowing is only used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.

Capital Receipts

- 4.46 The Council estimates that around £19 million of capital receipts could be generated over the next three years, of which £9.5 million relates to school buildings vacated through the 21st Century Schools Programme, to be used as match funding for the programme. It includes receipts anticipated from Glanogwr offices, industrial units, and Parc Afon Ewenny along with the sale of other surplus sites within the County Borough. Other usable receipts may be generated from the rationalisation of depots within the authority. These receipts are subject to the exchange of contracts, so it is prudent not to commit these receipts without firm agreement. The Council cannot consider progressing additional capital projects until there is more certainty regarding future capital receipts; only the receipts essential to meet current commitments have been incorporated in this programme.
- 4.47 As indicated earlier, around £11 million of capital receipts from the sale of school sites is required as part of the match funding requirement for the 21st Century Schools Programme. Confirmation of these receipts will be required before contracts can be awarded for these projects.

Prudential Borrowing

- 4.48 Prudential Borrowing totalling £34.6 million was approved by Council on 27 February 2014. It is proposed that this borrowing be increased by a further £0.5 million to allow for additional capital minor works.

4.49 In addition, over the next financial year the Welsh Government will be making funding available to meet the cost of the Council borrowing an additional £3.6 million in 2015-16 and 2016-17 towards the costs of the 21st Century Schools Programme under the Local Government Borrowing Initiative. This will take the overall level of approved Prudential / Unsupported Borrowing to a minimum of £41.5 million by the end of 2016-17. This does not include the £2.5 million loan, from the Welsh Government Central Capital Retained Fund, to develop sites in the Llynfi Valley.

5. Effect on Policy Framework and Procedure Rules

5.1 The budget setting process is outlined within the Council's Constitution and Financial Procedure Rules.

6. Equality Impact Assessment

6.1 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. In developing these proposals, consideration has been given to their potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups.

6.2 Equality Impact Assessments will be undertaken on all budget reduction proposals before the final recommendations are made concerning next year's revenue budget.

7. Financial Implications

7.1 The financial implications are reflected in the report.

8. RECOMMENDATIONS

8.1 It is recommended that Cabinet:-

- submits for consultation the 2015-16 annual budget and development of the MTFS 2015-16 to 2018-19 as set out in this report.
- agrees to reverse their decision of 1 April 2014 to top-slice £750,000 from school budgets in 2015-16 to meet the costs of early years.
- approves that the revised Capital Programme be submitted to Council.

Ness Young CPFA
Section 151 Officer and Corporate Director - Resources
1 December 2014

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Background Papers:
Provisional Local Government Revenue and Capital Settlements 2015-16
Cabinet Report – MTFS 2015-16 to 2018-19 - 16 September 2014

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Page Directorate	Service Area	Improvement Priority	Comment	Recurring pressure	One-off Pressure
29 Children's	Looked After Children	IP3	Looked After Children placement costs - the number of independent and in-house fostering placements has increased significantly in recent years. Current budget projections show overspends in these areas. The Children's Directorate is currently working on a new Permanency and Placement strategy with the intention of reducing LAC numbers over the next few years.	0	350
Children's	Adoption	IP3	The number of adoptions has increased in recent years as the service strives to reduce the number of looked after children. The cost of inter-agency adoptions has also increased and this has put additional pressure on the budget. The service budget will fund a number of new adoption placements within the new Western Bay adoption service in 2015-16, but this will be 2 placements short of the projected number required. A reserve will be established for those additional placements.	0	54
Wellbeing	Mental Health	IP4	Rising incidence of mental health problems There is a growing number of people who are suffering mental ill health, particularly linked to substance misuse. This is a volatile service area which has seen patterns over the last 2 years of more complex needs due to increasing co-incidence of alcohol and drug misuse and criminality. The outcome is increased intensity, complexity, frequency and unpredictability of needs placing significant pressures onto Social Services Budgets. The growth for 2015-16 provides for the continuation of the increasing need for residential placements. The growth figure is based on current levels of expenditure and demand increases in this area. A similar trend has been assumed in future years.	70	0
Wellbeing	Direct Payments	IP4	Between 2008/09 and 2014 the take up of Direct Payments has more than tripled whilst the actual financial cost has increased by 240%. This upward trend is continuing. Based on the latest DP position there are 141 DP cases plus an additional 25 pending. The projected committed costs from these cases matches the current 2014-15 budget should there be no further cases coming forward. The projected spend for current cases in 2015-16, not allowing for the increase in numbers, is £28k over current budget provision. Growth is therefore needed to meet the expected increase in numbers, with spend anticipated to increase at the current rate.	400	0
Wellbeing	Older People Residential Care	IP4	Increased cost of provision following withdrawal of HC1. Clients have had to be re-located to other provision at a higher cost.	120	0

Directorate	Service Area	Improvement Priority	Comment	Recurring pressure	One-off Pressure
Wellbeing	Deprivation of Liberty Standards Legislation	IP4	This new piece of legislation will require local authorities to apply for DoL registrations across a range of services. The cost has been estimated on the basis of 400 applications being required at a cost of £400 each. However, much of the cost will be of a one-off nature on a rolling assessment basis.	8	77
Wellbeing	Learning Disability & Mental Health	IP4	A review is currently underway in relation to sleep-in arrangements, which may result in a cost pressure. A budget adjustment may be needed to meet this cost pressure.	800	0
Communities	Waste Management	IP6	Additional funding required to meet the increased disposal costs for residual (black bag) waste, which has increased in line with other economic indicators around waste	0	320
Communities	Residual Waste	IP6	Increase in tonnage at MREC	0	135
Resources	Property	IP6	Following vacation of V2C, Bryncethin accommodation is being used by BCBC staff so cannot be relet, resulting in pressure of £100k pa	100	0
Resources	ICT	IP6	Increase in cost of enhanced Community Care IT system	75	0
Corporate Resources / Communities	various	IP6	The removal of the general and overhead charges included within the charge out rates for some internal staff costs following new guidance published by Cipfa has resulted in a budget pressure on revenue accounts within Resources and Communities Directorates. However, a process has began to identify any other potential staff costs that can be capitalised where a direct contribution to specific capital schemes can be evidenced. These will mean that the budget pressure will likely be reduced in the final budget.	622	0
	TOTAL Budget Pressures			2,195	936

Page Ref.	Links to Population Outcome	Improvement Priority	Categories	Savings Proposals	Impact	Budget 2014-15 £'000	Total Budget Reduction as % of 2014-15 Budget	Indicative 2015-16 £000	Indicative 2016-17 £000	Indicative 2017-18 £000
KEYS			IMPROVEMENT PRIORITY			CATEGORIES				
RAG STATUS										
RED	Proposals in Development		IP1 - Developing the local economy			BUR- Making Best Use of Resources				
AMBER	Implementation Plan in Development		IP2 -Raising aspirations and driving up educational achievement			MSR- Managed Service Reductions				
GREEN	Implementation Plans Developed		IP3 -Supporting young people & families			CST - Collaboration and Transformation				
			IP4 -Helping the vulnerable and older people to stay independent			PC - Policy Changes				
			IP5 -Encouraging healthy lifestyles to reduce health inequalities							
			IP6 -Making Best Use of Resources							
CHILDREN & SCHOOL BUDGETS			OBAU -Other Business as Usual							
CH1	Wise	IP2	MSR	Out of County budgets - reduction of Education costs by returning children with additional needs to in-house provision with additional support if required	Minimal impact if the needs of children can be met in-house	1,513	13%		200	
CH2	Healthy	IP3	CST	Youth Offending Service Collaboration	Managed service reduction	391	38%		150	
CH3	Corporate Business	IP2	BUR	Retender Learner Transport contracts	Minimal impact	4,969	10%	400	100	
CH4	Corporate Business	IP2	MSR	Rationalise Special Education Needs transport	More efficient use of resources.	1,583	16%	200	50	
CH5	Corporate Business	IP2	PC	Review of Learner Transport Policy regarding statutory distances for free travel	Proposal will require public consultation	4,969	10%		250	240
CH6	Corporate Business	IP2	PC	Review of learner transport policy regarding charging for post 16 transport	Proposal will require public consultation	312	24%		50	25
CH7	Corporate Business	IP2	PC	Increase charges for paid places on home to school transport	Charged transport will no longer be subsidised	25	100%		25	
CH8	Wise	IP2	BUR	Review of learner transport policy - Cease provision of non statutory free post-16 transport	Proposal will require public consultation	4,969	18%		300	600
CH9	Wise	IP2	BUR	School transport route efficiencies	Minimal impact	4,969	12%	200	200	200
CH10	Wise	IP3	MSR	Realign On-Track with multi-agency community team provision	The function has been absorbed within wider children services, however there were staff redundancies.	100	100%	100	0	
CH12	Healthy & Wise	OBAU	MSR	Reduction catering service budget	Minimal impact	859	23%	200		
CH13	Corporate Business	IP6	BUR	Staff Restructures - Business Support functions	Managed remodelling of support function	1,456	33%	200	280	
CH14	Corporate Business	IP6	BUR	Reduce non staff budgets across directorate	Reduced budget to spend on resources	60	100%		60	
CH15	Healthy & Wise	IP2	BUR	Staff Restructure - Inclusion and Additional Learning Needs	Managed remodelling of Inclusion service	3,240	3%		100	
CH16	Healthy & Wise	IP3	BUR	Restructure Senior Leadership - Children's Directorate	Managed restructure of service	75	100%	75		
CH17	Corporate Business	IP3	CST	Review the educational welfare service	Reduction in 50% of the education welfare service.	256	39%	100		

Page Ref.	Links to Population Outcome	Improvement Priority	Categories	Savings Proposals	Impact	Budget 2014-15 £'000	Total Budget Reduction as % of 2014-15 Budget	Indicative 2015-16 £000	Indicative 2016-17 £000	Indicative 2017-18 £000
Page 32 CH18	Wise	IP2	MSR	Review provision of the County Music Service	The music service will no longer be subsidised by the authority	40	100%	40		
CH19	Wise	IP2	BUR	Accommodation costs in relation to Youth Service currently based at Tondur	No impact	80	100%	80		
CH20	Corporate Business	IP6	BUR	Review all temp posts across the directorate/Vacancy Management	Planned reduction of budget with no actual planned reduction in costs, as dependant on staff leaving mid-year	0		150		
CH21	Corporate Business	IP6	BUR	Transfer core funded posts into grant funded schemes	Core funded posts will need to become grant funded	0			100	
CH22	Healthy and Wise	IP3	PC	Remodelling of Children's Residential Care	Reduction in the number of residential care beds provided within the authority and an increase in evidenced based therapeutic interventions to prevent the need for children to come into residential care	1,241	73%	300	300	300
CH23	Wise	IP2	BUR	Further reduction to Youth Service budgets	Reduced youth service provision across the Borough	522	57%	300		
CH24	Corporate Business	IP3	BUR	Restructure Integrated Working arrangements	Managed service restructure	560	27%	150		
CH25	Wise	IP3	BUR	Reduction in Safeguarding LAC numbers and related reduction in costs	It is envisaged that costs can be reduced if children at risk can be identified early and alternative support be provided instead of them becoming 'Looked after'	11,140	10%		585	520
CH26	Wise	IP2	BUR	Propose for schools to fund all copyright licenses	Schools will have to pay for licenses that the directorate currently funds	50	100%	50		
CH27	Wise	IP3	BUR	Remodel and restructure safeguarding management arrangements	Managed service remodelling and restructure.	3,864	5%	50	160	
CH28	Wise	IP3	BUR	Remodel Childcare team	Reduction in monitoring and support for private nursery settings	217	33%	72		
CH29	Wise	IP3	BUR	Remodel Youth Service Counselling Function for Schools	Reduced youth service counselling provision	204	74%		150	
CH30	Wise	IP3	BUR	Remodel Educational Psychology Service which includes statementing	Managed service remodelling and potentially chargeable service to schools	404	37%		150	
CH31	Wise	IP3	BUR	Remodel Looked After Children Education (LACE) Team	Managed service remodelling and restructure.	65	100%		65	
CH32	Wise	IP3	BUR	Reduce performance management costs	Minimal impact	23	1		23	
				Total Savings Identified				2,667	3,298	1,885
SCHOOLS										
CH11	Wise	IP2	BUR	Progress School modernisation programme which includes rationalisation of nursery provision	Efficient use of physical resources i.e. schools	84,748	0%	170	100	
SCH2	Wise	IP2	MSR	Reduction in school budgets	Reduction in school budgets	84,748	1%		750	

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SCH4	Wise	IP2	PC	Schools task group review of surplus places and school provision	Schools task group review of surplus places and school provision	84,748	1%			1,000
SCH5	Wise	IP2	PC	Nursery provision - Reduction in early years provision from full time to part time as per statutory minimum.	Reduction of nursery provision to its statutory minimum	84,748	2%			1,400
Total Savings Identified								170	850	2,400
Total Children								2,837	4,148	4,285
WELLBEING										
ASC1	Healthy & Wise	IP4	CST	Focus local authority homecare on specialist and complex care	Focus in-house homecare provision on specialist and complex care and retain 2,268 hours to achieve this. Commission the remaining 2,132 hours from the independent sector to deliver more generic packages of care	3,781	18%	307	357	0
ASC2	Healthy & Wise	IP4	CST	Support increased independence through enablement and progression in Learning Disability services	The reviews of care packages will include a consideration of the authorities statutory obligation to provide support and that which the service user could fund themselves. Advice has been sought from the legal team and these reviews will be done on an individual basis and based on a needs assessment.	4,763	9%	220	220	
ASC3	Healthy & Wise	IP4	PC	Link the work on the new assessment framework to the new national eligibility criteria as part of the Social Services and Wellbeing Act ensuring timely	The case for new ways of working has been laid down by the Social Services and Wellbeing Act (2014). In the coming years the wellbeing directorate will be developing the best solutions for delivering services that meet service users' needs and expectations flexibly while providing value for money.	17,251	15%	1,399	1,155	
ASC4	Healthy & Wise	IP4	BUR	Consolidation of Adult Day Services premises	No impact - this represent the residual savings from service consolidation	318	6%	20		
ASC5	Healthy & Wise	IP4	BUR	Service efficiencies - work related schemes	A staff and management restructure will be completed by March 2015. Discussions are taking place with the Communities Directorate about Bleaf and WoodB joining the development of the Cultural trust.	332	40%	67	67	

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Page 34 ASC6	Healthy & Wise	IP4	BUR	Management, Admin and Training Implement measures to achieve 7% and 5% across the 2 years	There will be a low impact on the public.	24,024	2%	215	153	
ASC7	Healthy & Wise	IP4	CST	Reprovision and remodelling of Shared Lives	There will be minimal impact of this on families and service users.	422	32%	135		
ASC8	Healthy & Wise	IP4	BUR	Reduction in sickness across services	No impact on the public	220	45%	50	50	
ASC9	Healthy & Wise	IP4	MSR	Review CHC-eligible cases to secure appropriate contribution to packages of care	In October 2014 Welsh Government introduced new guidance for meeting the eligibility for NHS Continuing Health Care (CHC). As part of this renewed guidance it is likely that some current service users who have a primary health care need who were previously excluded may become eligible for NHS CHC support.	0		70	70	
ASC10	Healthy & Wise	IP4	BUR	Develop income stream for specialist Mental Health placements at Glyn Cynffig	There is currently a service review underway for this care provision, one of the areas being explored could be the potential generation of income for the directorate from other public sector organisations .	113	91%	15	15	73
ASC11	Healthy & Wise	IP4	BUR	Income Generation at Ael Y Bryn	A charging and service provision agreement will be put in place for potential customers of this service	334	81%	95	174	
ASC12	Healthy & Wise	IP4	BUR	Continued efficiencies within LD Day Services	A staff restructure is being implemented and an options appraisal for the future management arrangements of the service is being produced	1,560	8%	35	6	80
ASC13	Healthy & Wise	IP4	BUR	Remodel Meals at Home service.	The Council remains committed to the provision of quality meals at home to people living in their own homes, who are assessed as needing a meal and who are unable to provide this for themselves. A current review is underway that is exploring different models of service delivery and provision in order to do this in a sustainable way.	122	100%	122		
ASC15	Healthy & Wise	IP4	BUR	Achieve transport efficiencies	There will be no impact on staff or service users by this arrangement which involves some of the in-house routes being provided by a community transport organisation.	784	7%	37	18	
ASC17	Healthy & Wise	IP4	MSR	Managed Service Reductions Residential & Respite Care	A review of the level of residential respite care provided to individuals may impact on the level of service received.	8,131	4%			356

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ASC18	Healthy & Wise	IP4	PC	Development of Extra Care Housing	<p>Impact - service users There will be a full consultation with service users and their families throughout the process.</p> <p>Impact - staff The development of ECH will mean a change in the care model from residential to domiciliary care, staff will be fully consulted throughout the transformation process.</p>	1,851	17%			315
ASC19	Healthy & Wise	IP4	MSR	Develop a Delivery Model for the Bridgend Resource Centre	A working group has been established and project management arrangements are being developed.	1,227	9%			111
ASC20	Healthy & Wise	IP4	PC	Introduce charges for supplementary holiday support in Learning Disabilities	Implementation of this process will bring a consistent model across all learning disability support living services				100	
ASC21	Healthy & Wise	IP4	MSR	Transfer Family Care Service to the Community Hubs	A transfer plan will be produced during 2014/15	232	91%			210
Total Adult Social Care								2,787	2,385	1,145
HL1	Healthy	IP5	CST	Reduction in costs relating to sport, play and leisure	Will have no impact on service users as can be achieved via staffing reconfiguration.	131	23%	30		
HL 2	Healthy	IP5	BUR	Review Healthy Living Partnership Contract	Decisions would be needed following presentation of options and consideration of financial penalties and capital claw-back.	2390	8%		100	96
HL3	Healthy	IP5	CST	Continued savings associated with the Halo leisure partnership	None if the business plan can continue to be delivered with reduced financial support from the Council	2390	14%	247	80	

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36 HL4	Healthy	IP5	MSR	Review of Lifeguard services to consider length of season and beach coverage.	Removing the lifeguard service would reduce support for rescues, assists, advice, first aid and lost children. Partnership with lifeguarding clubs would increase voluntary patrolling arrangements alongside paid cover for school holiday periods.	137	17%		23	
HL5	Healthy	IP5	MSR	Transfer management of Porthcawl dual use hall to school management	Potential withdrawal of facility for community use or increase in pricing by School. Usage is low, in comparison to other sites, and could be managed by School.	35	34%		12	
				Total Sports & Leisure - 'Healthy Living'				277	215	96
				Total Wellbeing				3,064	2,600	1,241
COMMUNITIES										
COM1	Corporate Business	OBAU	BUR	Procure by competitive tendering and in accordance with the provisions of a MOU between BCBC and NPTCBC, a contractor to operate and managing the MREC	• Nil Public Impact	4,347	10%	300	135	
COM3	Wealthy	IP6	BUR	Reduce net running costs of Bridgend Bus Station by reviewing service provision	Potential departure charges implemented for all bus operators and review of staffing posts .	177	23%	40		
COM4	Place	OBAU	BUR	Review staffing structures within the Communities Directorate to identify savings	Development - at this level we will be implementing an 'English-style planning service for planning applications, with minimal customer contact . Regeneration - reduction in budgets will mean we will be doing less to attract investment, create jobs and supporting the local economy to grow. Sustainable Development - No future support for Eco Schools, Fair Trade schools or Forest Schools.	18,987 (staffing budget for Communities Directorate as a whole)	5%	544	431	
COM5	Corporate Business	IP6	CST	Savings anticipated from proposed collaboration with SWP on a joint vehicle maintenance facility	• Savings predicated upon shared managerial/operational staff	-62	N/a - Fleet has a net income budget	75		
COM6	Corporate Business	OBAU	MSR	Review of public conveniences	The rationalisation of public toilets will help the council focus on maintain higher quality services to the most used public toilets	201	25%	50		

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COM7	Place	OBAU	MSR	Review of Grounds Maintenance & Bereavement Services	The introduction of wild meadow flowers to some grassed areas accompanied by a reduction in grass cutting will give a more natural look to verges and grassed areas, with less neatly cut and mown verges. Sports pitches and bowling greens will receive less maintenance with some possibly closing. Changes to the provision of park pavilions will also be required. Budget savings attached to Bereavement Services may lead to a reduction in general grounds maintenance activities and standards at cemeteries.	1,626	33%	437	100	
COM8	Corporate Business	OBAU	BUR	Review of car parking charges - staff and long/short term stay car parks	<ul style="list-style-type: none"> • May displace cars to on-street or non local authority car parks • Could reduce car park users but increase cycling or public transport use 	-968	6%	60		
COM9	Corporate Business	IP6	BUR	Review of Highways maintenance/DLO Services	<ul style="list-style-type: none"> • Reduced service levels and worsening state of repair to roads and structures • Reduction in bus services • Reduced ability to respond to emergency events 	7,624	16%	308	917	
COM10	Place	OBAU	BUR	Public to purchase their own black refuse bags to an appropriate specification.	The public are asked to meet the cost of black refuse sacks by purchasing their own sacks from local retail outlets.	N/a	N/a - New charge	50		
COM11	Place	OBAU	BUR	Implementation of charging for Blue Badge Holders for Car Parking	<ul style="list-style-type: none"> • Potential to displace vehicles on-street • Brings BCBC in-line with other local authorities 	N/a	N/a - New charge	165		
COM12	Place	OBAU	BUR	Review of staffing structures within Housing & Regeneration	Residents will not benefit from accessing WG funding for energy efficiency measures.	2,270 (staffing budget for Housing & Regeneration as a whole)	2%	40		
COM13	Place	OBAU	BUR	Review of School Crossing Patrol service in line with GB standards.	<ul style="list-style-type: none"> • Reduction in SCP provision across the Borough 	120	50%	60		
COM14	Place	OBAU	BUR	Bereavement services - implement fee strategy to remove BCBC current subsidy	Higher charges for the provision of burial services, at Council maintained cemeteries will ensure that the standards of grounds maintenance are maintained at current levels.	95	55%	52		
COM15	Corporate Business	IP6	BUR	Staffing restructures in Elections	This would reduce staffing levels by one post in a small team resulting in some delays in processing applications to register to vote and impact on the preparation for the delivery of local and national elections.	152	30%	46		

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COM16	Place	IP6	MSR	Review of supported bus services	Reduction in number and frequency of subsidised bus routes, with a risk of losing heavily subsidised and less used routes to some parts of the County Borough.	433	28%	120		
COM17	Healthy/Wise & Corporate Business	IP1 / IP2	CST	New models of service delivery will be in place for Cultural Services by 16/17. Savings required for 17/18 will comprise an extension of these.	Transfer of services to a new not for profit organisation to realise savings and create a business focussed on improving services.	3,260 budget for Culture in total 14/15. Overall savings over next 3 years - 592	18%			101
HL1	Healthy & Wise	IP1	CST	Transfer of management and operation of Bryngarw House	Change in service model to focus on events and functions market.	"	"	56		
HL2	Corporate Business	IP1	MSR	Reduction in arts development capacity	<ul style="list-style-type: none"> Less delivery capacity to support community organisations Some projects will cease Funding impact passed onto third sector 	"	"	60		
HL3	Healthy & Wise	IP2	BUR	Efficiencies in Pyle Hub operation	More efficient use of building through multi-agency occupancy.	"	"	25		
HL5	Healthy & Wise	IP2	CST	Library Service Options appraisal and implementation of agreed service model	Transfer of services to a new not for profit organisation to realise savings and create a business focussed on improving services.	"	"		150	
HL6	Corporate Business	IP1	CST	Development of arts venues trust	Transfer of services to a new not for profit organisation to realise savings and create a business focussed on improving services.	"	"		100	
				Total Savings Identified				2,488	1,833	101
RESOURCES										
Finance & ICT										
RES1	Corporate Business	IP6	BUR	Staffing restructures in Finance and Vacancy Management	Reduced capacity to undertake statutory financial functions. Reduced support for directorates.	2129	17%	119	234	
RES2	Corporate Business	IP6	BUR	Re-negotiate banking contract, cash collection and cash payment contracts.	New contracts in place for banking and cash collections services. Result in additional work to change systems linked to existing providers e.g. cheque stationery, Council tax and Sundry Debtors Bills etc.	99	35%	35		
RES3	Corporate Business	IP6	BUR	Rationalisation of software applications and licenses and review of outsourced arrangements		1423	14%		200	
RES4	Corporate Business	IP6	CST	Renegotiated Internal Audit Partnership contributions to Vale of Glamorgan Council	Reduced internal audit coverage within the Council, fewer services audited and audits undertaken in shorter timescales.	403	10%	20	20	
RES5	Corporate Business	IP6	BUR	Staffing Restructures Revenues, and Financial Assessments Services /Vacancy Management	Reduced staff levels and costs	2590	11%	163	121	

Page Ref.	Links to Population Outcome	Improvement Priority	Categories	Savings Proposals	Impact	Budget 2014-15 £'000	Total Budget Reduction as % of 2014-15 Budget	Indicative 2015-16 £000	Indicative 2016-17 £000	Indicative 2017-18 £000
RES6	Corporate Business	IP6	BUR	Review charges for Receiverships and improved recovery of Housing Benefits overpayments	Service users are paying the appropriate costs	-286	-10%	30		
RES7	Corporate Business	OBAU	BUR	Review of the ICT Support Functions	Reduced Support Function decline level and expediency of support	3,725	1.9%	52	17	
RES9	Corporate Business	OBAU	BUR	Introduction of % charge for credit card payments made to the Council	Additional charge of 1.7% charge on all credit card payments to recoup the fees imposed on the Council.	19	100%	19		
RES10	Corporate Business	OBAU	BUR	Savings on Insurance Premiums	Reduction in the annual amount put aside to increase the estimated cost to the Council of the outstanding liability for Employer's Liability, Public Liability and Property.	1,736	6%	100		
Human Resources										
RES11	Corporate Business	OBAU	BUR	Reduce number of monthly pay day dates from two to one.	A failure to achieve a collective agreement will mean a protracted consultation process, particularly with schools. Saving may not be achievable.				23	
RES12	Corporate Business	OBAU	CST	Review of CCTV & Customer Services Operations	Some savings will be achieved through the proposed CCTV collaboration with the Vale of Glamorgan but the remainder will need to be found from elsewhere within the Customer Services Operation which could lead to a fall in customer satisfaction	1,241	5%	30	30	
RES13	Corporate Business	OBAU	BUR	Staffing Restructures - Human Resources and Organisational Development	Reduction in capacity leading to possible delays at a time when activity is high in terms of internal service reviews. Western Bay and other collaborative working projects are also demanding more resource. On-going cuts to the service will impact severely on the level of service that can be provided moving forward.	2,234	21%	164	170	128
RES14	Corporate Business	OBAU	BUR	Reduction in corporate training budget	Less training provision for employees of the Council	51	39%	20		
RES15	Corporate Business	OBAU	BUR	Move from paper to electronic versions only of the County Bulletin and Bridgendors	Residents who are not connected to the internet may feel excluded	19	100%	3	16	
RES16	Corporate Business	OBAU	BUR	Review of the Corporate Project Group and Business Support Unit	Less project management support to Directorates from the Corporate Team	590	19%	110		
Property (Estates)										
RES18	Corporate Business	OBAU	BUR	Review of cleaning service	Cost reductions to be achieved by reducing cleaning or withdrawing the service	-122	-82%	100		

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	RES19	Corporate Business	IP6	BUR	Increase in the fees and charges for non-operational property	Results in tenants / purchasers being charged additional fees / rental.	-752	-7%	25	25	
	RES20	Corporate Business	OBAU	BUR	Review of the Facilities Management service	Need to undertake staff consultation to restructure service. Will result in reduced capacity to service public offices.	606	13%	79		
	RES21	Corporate Business	OBAU	BUR	Office Accommodation -closure of office buildings	Reduction in office accommodation. Forms part of Maximising Use of Space and Technology Board office remodelling proposals and will enable staff mobile working.	2,091	15%	120	191	
Property (Built Environment)											
	RES23	Corporate Business	OBAU	BUR	Staffing Restructure - Built Environment	Nearing completion of the restructure in Built Environment that will realise these savings. Hoping to go to consultation by the end of October.	2,867	5%	148		
					Total Savings Identified				1,337	1,047	128
LEGAL & REGULATORY SERVICES											
	LRS1	Wealthy / Healthy	IP1 / IP5 / OBAU	CST	Public Protection Collaboration	The project is intended to reduce costs and maintain resilience. The project places additional burden on the remainder of the department and programmed savings yr1 provide amber .	1,953	17.92%	286	47	17
	LRS2	Corporate Business	OBAU	BUR	Restructure of Legal & Democratic, Registration, Procurement, Performance & Partnership Services. Fundamental review of how services are delivered	Determination of restructure made, implementation planned. Reductions place significant burden on service requiring reduction of service demand from central and front line services including committee and Member support.	3416	40.60%	268	563	556
					Total Savings Identified				554	610	573
CORPORATE / COUNCIL WIDE											
	CS1	Corporate Business	IP6	BUR	Rationalise and reduce voluntary sector funding by 10%				78	33	
	CS2	Corporate Business	IP6	BUR	Target reductions in administrative support linked to EDM				250	250	
	CS3	Corporate Business	IP6	BUR	Use of prudential borrowing to finance minor capital works				50	100	
	CS4	Corporate Business	IP6	BUR	Rationalise project management across the Council					200	
	CS5	Corporate Business	IP6	BUR	Review capital financing budgets				200	100	
	CS6		IP6	PC	Cease the pensioners' council tax relief scheme	Cessation of the scheme will mean that no additional support for pensioners on low income will be provided.	200	96.5%	193		

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CS7	Corporate Business	IP6	PC	Reduction in Fire Service Precept	The South Wales Fire and Rescue Authority has advised that it is proposing an average 1.54% reduction in its precept to its constituent authorities for the 2015-16 financial year. For Bridgend, this amounts to a reduction of 1.55%, or £100k.	6,585	1.55%	102		
CS8	Corporate Business	IP6	BUR	Carbon Reduction costs for schools to be met from protected Individual Schools Budget				72	117	
				Total Savings Identified				945	800	0
				GRAND TOTAL SAVINGS				11,225	11,038	6,328

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Budget Review 2015

Consultation report

Date of issue: 21 November 2014

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1. Overview

A public consultation reviewing Bridgend County Borough Council's budget for the financial year 2015-16 was undertaken over a six week period from 6 October 2014 and 17 November 2014. The consultation received 443 responses from a combination of the consultation survey, six community workshops held across the county borough and an interactive online budget simulator. This paper details the analysis associated with the consultation.

2. Introduction

A public survey based on Bridgend County Borough Council's proposed budget reductions outlined in the Medium Term Financial Strategy 2015/16 was conducted over a six week period between 6 October and 17 November 2014. The survey was available to complete online through a link on the consultations page of the council's website¹. Paper copies of the consultation were also made available at local libraries, the six community engagement workshops, or alternatively, they could be sent directly to the residents upon request in either English or Welsh. The content of the page remains available online including an active link to the survey.

All questions in the survey were optional and all survey responses offered the option of anonymity. The council's standard set of equalities monitoring questions were also included with the survey, as is now recommended good practice for all public facing surveys carried out by the council.

Comments regarding the consultation were also invited via letter, email and phone call. Contact details were also provided for anyone wishing to receive a copy of the survey in another language or format.

3. Promotional tools and engagement methods

Details of the consultation were sent as part of a press release emailed to the following stakeholders; business forum and business directory, councillors, town and community councils, members of the Local Service Board (LSB), the Youth Service Cabinet (YSC), and Bridgend Equality Forum (BEF) and local media. Information on taking part in the budget consultation was also communicated on the customer service centre screens in the Civic Offices.

An informative letter/email (depending upon the recipient's preference) was sent to the 1,200 citizens' panel members on 13 October.

¹<http://www1.bridgend.gov.uk/services/consultation/hub/budget-review-2015.aspx>

3.1 Consultation document and survey

A consultation document featuring information on the consultation itself as well as an overview of Bridgend County Borough Council's medium term financial strategy and corporate plan 2013-17 were downloadable and available with the consultation questionnaire. Both documents were written in plain English to maximise potential inclusion.

3.2 Social media

The council tweeted its 4,700 @Bridgend CBC followers and posted to its 472 Facebook fans about the consultation on several occasions during the consultation period to help raise awareness.

A live Twitter Debate was held with Darren Mephram, Chief Executive on the 6 November held between 12-1pm. The event was promoted leading up to the debate to generate awareness and interest. During the debate, the Chief Executive opened the session by inviting questions which were themed around the council's budget consultation review. He also asked a range of budget related questions, as examples, to engage members of the public and stimulate a debate, such as should we introduce charging for black refuse bags and should we introduce a parking charge for blue badge holders in off street car parks?

3.3 Local press

The consultation was highlighted as a 'Wales first', and also featured in pages 1-2 of the Gazette newspaper on the 9 October 2014². Information on the budget also featured in members' columns in local publications.

A five week radio campaign on Bridge FM was undertaken to create awareness of the budget consultation and encourage members of the public to take part via the online survey and budget simulator, and/or attend a community engagement workshop. Bridge FM also placed a link on the front page of their website to the budget consultation document on the Bridgend County Borough Council website.

3.4 Member's budget workshop

36 of the 54 councillors attended the Member's budget workshop designed for councillors to experience using the budget simulator. Councillors were asked to work in groups of 8-12 to come to a consensus on saving the money required and the proposals regarding how the council can 'bring money in' and how the council could 'save money'.

²<https://www.facebook.com/glamorgangazette/photos/a.161168277229507.38531.161161663896835/869068873106107/?type=1&theater>

3.5 Online budget simulator

The budget simulator is an interactive tool designed to give respondents the ability to allocate the council's £255 million net annual budget. The simulator used sliders to allow respondents to alter individual service area budgets, which triggered positive and negative consequences designed to increase understanding of the impact of making changes to funding.

The simulator included an algorithm to only allow the respondent to move onto the next section of the simulator once the £12.4m (with council tax increasing by 4.8 per cent) had been met. Savings and income generation sections each presented eight proposals that would 'save money' and 'bring money in', which respondents were given the opportunity to agree with or disagree with. The final sections offered respondents the opportunity of making any additional suggestions and/or provide personal data.

3.6 Community engagement workshops

Six community engagement workshops were undertaken across Bridgend County Borough in: Coleg Cymunedol Y Dderwen (Ynysawdre), Maesteg Comprehensive, Pencoed Comprehensive, Bridgend College, Cynffig Comprehensive and the Grand Pavilion in Porthcawl. The events were all conducted between 18:00 – 19:30 and featured a participant worksheet which respondents were asked to complete and discuss. The participant worksheet followed a similar pattern to the online budget simulator allowing individuals to select to 'increase, maintain or decrease' the main service areas and the functions associated with these areas. The paper also asked respondents to say 'yes, no, or don't know' to the same 'bring money in' and 'save money' proposals included in the budget simulator. A qualitative section was also included for additional comments the attendees may have.

In preparation for the community engagement workshops two one-hour training sessions were conducted for 44 members of staff over lunch times. Staff were given an overview of the purpose of the budget consultation and community engagement workshops. The workshop structure and supporting documentation was also communicated with a clear explanation of what was required from facilitators. A presentation on the budget simulator was also communicated to staff and they were encouraged to try this tool out before attending workshops, so they understood the objective of both activities. This exercise helped to raise staff awareness of budgetary issues, and gave staff development opportunities in preparing for, and delivering the workshop.

4. Response rate

The response rate has been segregated into three areas: the consultation survey, the budget simulator and workshop worksheets received from attending one of the six community engagement events.

- 111 responses to the 'budget review 2015' consultation surveys were received in total by the closing date of Monday 17 November 2014 – all responses received were in English with 106 online submissions and 5 paper versions returned.
- 271 responses were received from the budget simulator directly – 95 of these can be directly attributed to the survey responses meaning there were 176 who went directly to the budget simulator.
- 61 responses were collated from attendees at the community engagement events across the county borough. In total there were 443 responses to the consultation.
- No comments were received by letter or telephone call.
- There were three responses from the budget simulator received after the closing date which unfortunately could not be included in this analysis.
- The consultation survey included an 'about you' section featuring two qualitative and six quantitative questions to gain a better understanding of the respondent. After a link to the budget simulator there were a further three quantitative questions, and three qualitative questions regarding the council's budget directly. The three qualitative budget questions received 72 (65 per cent), 61 (55 per cent) and 57 (51 per cent) responses overall.
- 71 attendees visited the community engagement workshops. The surveys gathered from the workshop questionnaires were designed as a paper version feature of the budget simulator, additionally an 'about you' section was also included which was taken from the consultation survey and finally a qualitative section for any other comments regarding the budget review giving the opportunity for respondents to answer in an open-ended format.

5. How effective was the consultation?

The budget consultation was conducted over a six week period in which a range of marketing methods were used to create awareness of the consultation and encourage members of the public to engage with the council. The social demographic data reflects a good cross section of the County Borough's population (359 respondents lived in Bridgend and 17 outside the area).

The use of analysis of the engagement activities shows that 86 per cent of all respondents completed the budget simulator. The use of the interactive budget simulator, in conjunction with the social media activities, were particularly successful in encouraging young people to engage, which can be seen in the table below:

Age	Participation worksheet data	Budget simulator data	Consultation survey data	Total
Under 18	0	1	0	1
18 - 24	0	11	5	16
25 - 34	0	41	25	66
35 - 44	2	59	29	90
45 - 54	10	46	20	76
55 - 64	12	36	16	64
65+	16	29	12	57
Prefer not to say	2	44	0	46
Grand Total	42	267	107	416

The data collection methods which include the online budget survey, the budget simulator and the workshop response forms, were all developed using plain English to increase understanding. These response methods were also designed to give respondents complete control in allocating funding, thus minimising any opportunity for bias or influence of responses.

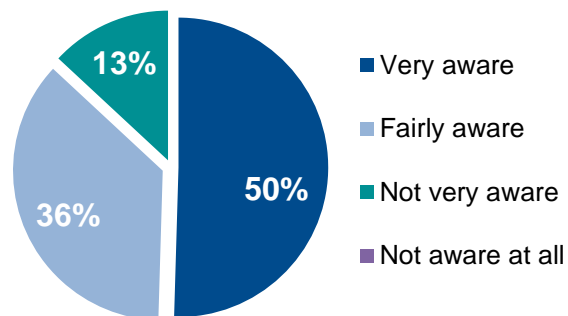
Data validation measures have been undertaken to ensure that the same respondent could not submit more than one response. This means the only opportunity for double counting exists from the budget simulator and workshops submissions. The budget consultations response size (443 responses) and methodology, indicates the survey results can be considered to be reliable and statistically valid.

The number of survey responses and attendees at the community engagement workshops was lower than expected and disappointing given the level of publicity that the events had been given. Generally, we experienced a notable indifference from members of the public, who openly stated that they believed that they were unable to influence council decisions. Those members of public who were willing to engage with us were in the main extremely positive about the opportunity to have their say, with a number of participants openly expressing their support and gratitude.

Many attendees stated they found the exercise valuable in terms of increasing their awareness and understanding of council services and the financial position we face, with 50 per cent stating they are aware of the current situation.

The vast majority of attendees found it extremely difficult to make any significant changes to service area budgets and there appeared to be a genuine appreciation of the very difficult decisions that have to be made.

Awareness levels of the council's current financial situation - consultation survey response.



6. Headline figures

- 6.1 All service areas received a reduction in their budget. The budget simulator data showed that the public thought that schools should receive the lowest reduction in funding at 3 per cent, and 'corporate functions' should receive the highest reduction with 30 per cent.
- 6.2 Three proposals for 'how we can bring money in' received more than 50 per cent 'yes' responses generating a potential income of £218,000. These were to:
 - Introduce a charge for pest control (58 per cent),
 - Introduce a parking charge for Blue Badge holders in our off-street car parks (58 per cent) and;
 - Introduce a percentage charge for credit card payments made to the council (55 per cent).
- 6.3 Delivering libraries and cultural services through a not for profit trust was the only money saving proposal to receive over 50 per cent 'yes' responses with 64 per cent. The proposal offers an estimated savings of £391,000.
- 6.4 Over one in three (36 per cent) believed that residents could help reduce demand on the council by taking more personal responsibility. This is an important issue that will need to be explored further in the deliberations on future service delivery.
- 6.5 39 per cent of respondents think the council could save money through removal or reduction in services currently provided by the council. Additionally, outsourcing or working with third parties where financially viable has been encouraged by respondents.
- 6.6 The feedback was consistent across all engagement methods. However, respondents in the community engagement workshops found it very difficult to decide how and where to cut main service area budgets after being given an overview of the service area. In direct contrast, respondents who completed the online survey and budget simulator made greater changes to main service area budgets.

7. Question and Analysis - Consultation Survey

Section seven of the report looks at the questions asked in the consultation survey – with 111 respondents in total.

7.1 How aware are you of the council's current financial situation?

Respondents to the consultation survey were initially asked how aware they were of the council's current financial situation. The perception was that exactly half (50 per cent) of the respondents believed they were "very aware" of the council's financial situation, and one in three 36 per cent felt they were "fairly aware". Out of the 107 responses to the question, no one answered "not aware at all" attributing the final 13 per cent to state they were "not very aware".

7.2 How would you like to be kept informed about the council's current financial situation?

This question was a multi-choice question where respondents had the opportunity to select from seven promotional options as well as opting to provide a specific response as 'other'. Two options accounted for more than 50 per cent of the communication methods requested by respondents. The council's website received 30 per cent of responses, followed by 23 per cent who would like to be kept informed through local publications. The only other option to receive over 10 per cent was social media site Facebook with 14 per cent of respondents selecting this option. Council publications twitter and local radio station Bridge FM all received 8 per cent.

7.3 With the council's current financial situation in mind, please tell us about your ideas for how the council could save money?

This qualitative question received the highest response rate for the three qualitative questions asked, with over six in ten (65 per cent) responding to the question. The answers have been segregated into several categories according to the answer, and are shown in the table alongside.

The top three categories account for over 70 per cent of how respondents believe the council could save money. These options are:

- Remove/reduce council services with 39 per cent,
- Restructure/internal changes with 19 per cent;
- Generating more income received 14 per cent.

How could the council save money?	Response
Remove/reduce council services	46
Restructure/internal changes	22
Generate money	16
Outsourcing	9
Investment	8
Alterations to planning and management	6
Encourage local business	5
Revert to statutory requirements	3
Volunteering/co-production	2
Realignment of service provision	1
Total	118

7.4 How do you think members of the public could reasonably help to reduce the demand on council services?

Following the methodology highlighted in section 1.3 of this paper with a response rate of 55 per cent the most popular option for how members of the public could help to reduce demand on council services was through citizens taking more responsibility, with 36 per cent of the responses highlighting this. Other notable categories were better resource management from the council with 16 per cent, less council hand-outs or reviewing means tested benefits with 15 per cent and finally outsourcing or encouraging third party adoption of services with 13 per cent.

7.5 Do you have any suggestions on how the council could create further income?

This question received the lowest response rate with only 51 per cent of respondents providing an answer to the question. One in four (25 per cent) stated an increase in charges for certain services or reducing the subsidies provided. Similarly to this, 12 per cent proposed reducing or bettering the efficiencies of the services that are currently provided. Almost one in five (17 per cent) mentioned the selling or renting of council owned assets.

Service area	Average Budget Alteration
Corporate functions	-30%
Resources	-14%
Legal and Regulatory	-13%
Communities	-10%
Sport, Play and Active Wellbeing	-6%
Children's (exc. Schools)	-6%
Adult Social Care	-6%
Schools	-3%

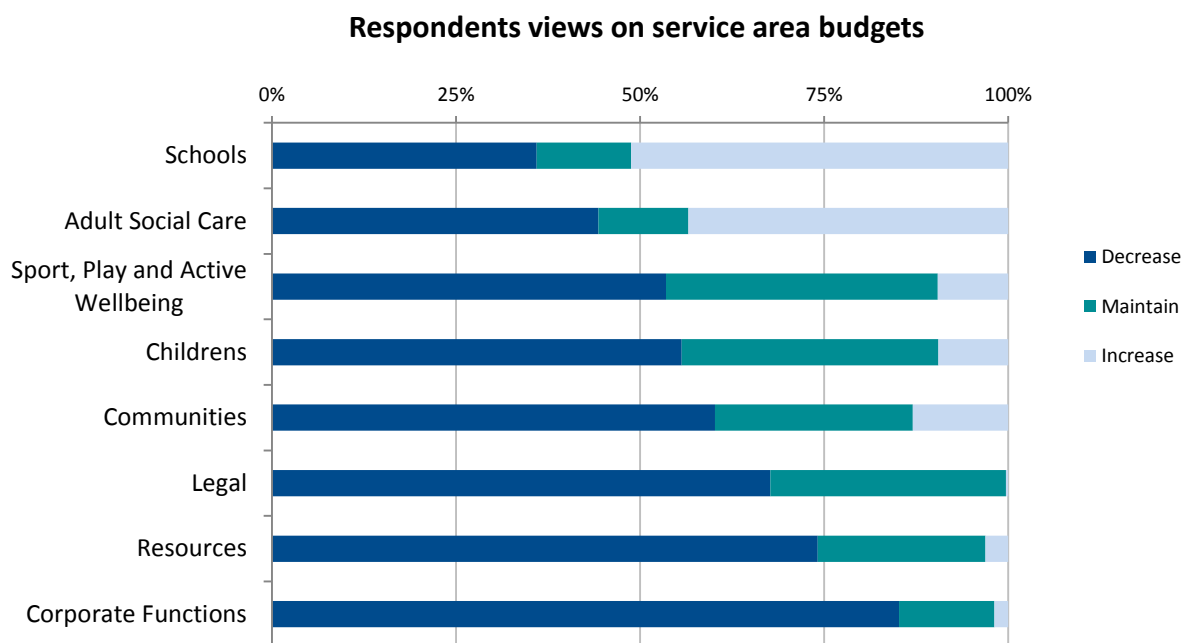
8. Question analysis – Budget Simulator and Workshop Worksheets

8.1 Budget overview

The budget overview looked directly at eight service areas: schools; children’s (excluding schools); adult social care; corporate functions; sport, play and active wellbeing; communities; resources and legal and regulatory services.

From the responses, schools and adult social care were both the least likely to be decreased, or maintained. Less than 50 per cent of respondents thought that these two service areas should receive any decrease in budget expenditure. Naturally this also means the two service areas were also the most likely to receive a budget rise with 51 per cent for schools and 43 per cent for adult social care.

Respondents were most likely to lower the corporate functions with 85 per cent reducing its budget. Followed by almost three in four (74 per cent) lowering the resources budget. Sport, play and active wellbeing, communities and legal were the most likely to maintain their current budget with 37 per cent, 35 per cent and 32 per cent respectively.

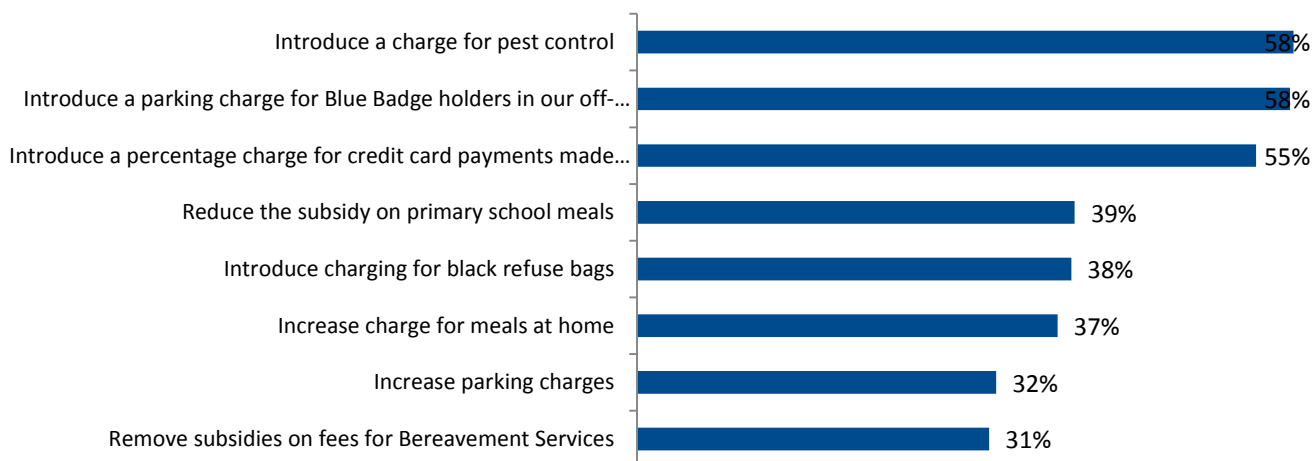


In summary, all budgets were reduced. This meant that although schools and adult social care saw some respondents increasing those budgets, due to the decreases made by other respondents, these budgets reduced on average. The biggest average budget reduction was corporate functions by far, receiving a total decrease of 30 per cent from its current budget allowance. Resources and Legal and Regulatory Services received 14 per cent and 13 per cent reductions respectively. The table above shows that schools received the lowest budget alteration with a 3 per cent decrease overall.

8.2 How we can bring money in

This question was asked in both the budget simulator and in the workshop worksheets. For the eight proposals put forward for how the council can bring money in there were three options available, 'Yes, no and don't know'. The budget simulator was based upon the assumption that if the respondent did not answer yes, then the proposal is automatically presumed to answer no. This theory was also used in calculating the workshop worksheet responses in the interest of consistency. The eight proposals offered a total estimated saving of £622,000.

Percentage of 'yes' responses for income generation proposals



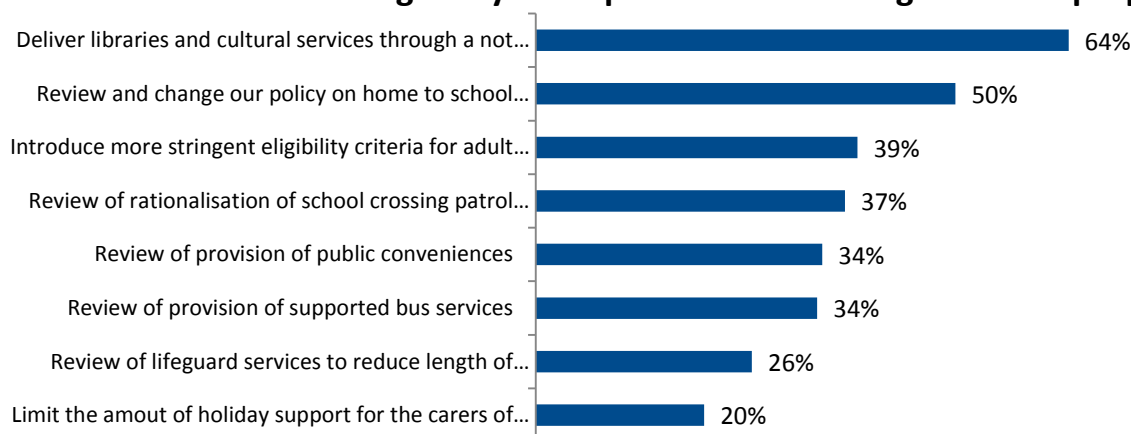
The graph above shows that three proposals received a majority 'yes' vote in ways in which the council could generate additional income. Introducing a charge for pest control and introducing a parking charge for Blue Badge holders in our off-street car parks both received 58 per cent 'yes' votes collectively from workshop respondents and budget simulator respondents. Introducing a percentage charge for credit card payments made to the Council received 55 per cent 'yes' votes. These three proposals would generate estimated revenue of £218,000. An increased charge for meals at home received a lower 'yes' response of almost one in four (37 per cent) but does offer the second largest proposed saving of £122,000 in itself.

8.3 How we can save money

Section three focused on how the council could save money with eight proposals. The potential savings came to a total of £3,908,000. The respondents had the opportunity to select between 'yes', 'no' or 'don't know' to each proposal.

Only one proposal from section three received over 50 per cent of 'yes' responses. Delivering libraries and cultural services through a not for profit trust received a 64 per cent 'yes' response and offered estimated savings of £391,000. The review and change to the home to school transport received 50 per cent 'yes' response rate. This offers the second highest potential saving with £550,000.

Percentage of 'yes' responses for income generation proposals



The highest potential saving came from introducing 'more stringent eligibility criteria for adult social services' with a potential saving of £2,550,000. This proposal received a 'yes' response of 39 per cent.

8.4 Service area budgets

Section four gave the respondents the ability to further analyse and take a view on individual parts of each of the service areas, apart from corporate functions and schools. The workshop worksheet followed the 'increase', 'maintain', and 'decrease' for continuity based on section one.

From the six service areas with additional detail, the resources service area received the highest amount of respondents identifying an area of potential savings with 66 per cent of respondents decreasing the budget on average, followed by legal and regulatory with 58 per cent and communities with 56 per cent.

By analysing the budget simulator data alone further information can be derived. For instance, although more respondents decreased the resources budget, there were slightly higher cuts to the legal and regulatory budget. On average both service areas received 14 per cent budget cuts, with Sport, Play and Active Wellbeing receiving cuts of 11 per cent and Communities receiving cuts of 10 per cent. Similarly to section one, adult social care was one of the least financially affected service areas however, there was still an average reduction in its budget of 6 per cent, and children's also received a reduction of 6 per cent.

8.41 Children's (excluding schools)

The service area for children's had seven adjustable budgets. No budget area had more than 50 per cent of respondents suggesting that the budget should be reduced. Data collated from the budget simulator specifically showed that 'school improvements and support' received the highest levels of reduction with an average of 8 per cent cut, and special needs receiving both the lowest volume of respondents at 4 per cent reduction..

8.42 Adult social care

Adult social care featured eight additional options in section four of the budget simulator and workshop worksheet.

'Service management and administration' received a decrease from more than half (51 per cent) of the respondents. The budget simulator data reveals that it was also the highest cut with an average reduction of 8 per cent. Similarly, substance misuse services received a 7 per cent cut overall. Four options received an equal reduction of 5 per cent – these were: homecare, aids and adaptations at home, residential care and meals at home.

8.43 Sport, play and active wellbeing

The service area for sport, play and active wellbeing had only two additional options. Sport and physical activity attracted a higher percentage decrease (12 per cent) compared to beach and water safety's 9 per cent.

8.44 Communities

Five options in the consultation form the communities' service area received a reduction from over half of the respondents. The percentage of the cuts did vary, with only three of the options totalling more than 10 per cent of the current budget. Culture received the highest reduction with 13 per cent, community business unit followed with 11 per cent and finally, elections received a 10 per cent budget reduction.

8.45 Resources

The service area for resources received the second highest average reduction with 14 per cent between the four options available. Support services received the second highest reduction rate in section four with a suggested 16 per cent. Customer services also received a high reduction with 14 per cent. Over six in ten made reductions to this area, making it on average the most reduced service area in section four.

8.46 Legal and regulatory services

Legal and regulatory services received the highest volume of reduction responses on average and also received the highest average reduction (17 per cent) on 'democratic services'. All areas received a minimum of 11 per cent average reduction from the budget simulator. However, slightly less chose to make a reduction to this area in direct comparison to resources.

8.5 Qualitative Data - Budget Simulator and Participant Worksheets

Respondents made a number of suggestions and comments which developed in a number of key themes which are outlined in the table below:

Key Themes	No. of Responses	% of Respondents
Restructure/internal changes	49	21.7%
Remove/reduce council services	43	19.0%
Outsourcing	29	12.8%
Alterations to planning and management	27	11.9%
Generate money	21	9.3%
Revert to statutory requirements	19	8.4%
Encourage economic development	13	5.8%
Realignment of service provision	12	5.3%
Investment	9	4.0%
Citizen responsibility	4	1.8%
Total	226	100.0%

Over a fifth of all budget simulator suggestions (21.7%) related to restructuring the council or making internal changes to make the council operate more efficiently. Examples of these comments included “Merge Councils”, “Move more control to town councils”, “Make sure Councillors are time efficient” and “Limit the number of Councillors and/or the expenses they can claim”.

19 per cent of all respondents suggested making specific reductions to service areas or removing some services altogether. Examples include “Remove rubbish bags”, “Reduce refuse collection”, “Reduce corporate spending”, “Remove Library services” and Reduce demand through early intervention”.

Many respondents demonstrated they were aware of the consequences of making such decisions and acknowledged how difficult the process was. Examples of this includes “Whilst the choices I have made are regrettable I believe they will minimise the impact on the public”. “Having completed this exercise demonstrates what a difficult task members have in achieving their budgetary targets. Clearly they are in a no win situation!”

12 per cent of respondents suggested outsourcing services as a way of saving money because they felt they could be offered more cost effectively by third parties. Examples of comments include “Outsource the parks and playing fields”, “Outsource all non-essential services”, and “Promote 3rd parties that support council functions”.

Other significant themes that were suggested by a number of respondents include:

- Revert to statutory levels of service
“Focus on essential services”, “Removal all subsidies” and “Charge for or reduced non-essential services”.
- Encourage economic development
“Encourage local businesses which will create job opportunities” and “Charge for services the council can provide”.
- Investment to improve Infrastructure
“Use technology where appropriate”, Improve transport infrastructure” and “Utilise online facilities”
- Encourage citizens to take responsibility
“Increase community pride and responsibility”; “Citizen Responsibility – litter”; Citizen Responsibility – graffiti”; and “Encourage healthier lifestyles”.

9. Conclusion

The budget consultation response size (443 responses) and methodology, indicates the survey results can be considered to be reliable and statistically valid. Consistent feedback was received across all engagement methods; however the budget simulator and social media communication increased the level of engagement with young people.

The budget consultation showed that 50 per cent of participants believed they were very aware of the current financial situation. In being asked how respondents would manage the budget all services received a minimum reduction of three per cent. The service area responses showed that 85 per cent of respondents reduced Corporate Functions by an average 30 per cent. 74 per cent of respondents reduced Resources by 14 per cent. 68 per cent of people reduced Legal and Regulatory services by 13 per cent. 54 per cent of respondents reduced Sport, Play and Active Wellbeing by 6 per cent.

Schools and Adult Social Care were both the least likely to be decreased or maintained. The two service areas were the only areas to receive any decrease in budget expenditure from less than 50 per cent of the respondents. Naturally this also means the two service areas were also the most likely to receive a budget rise with 51 per cent suggesting an increase for schools and 43 per cent an increase for adult social care.

The response to income generation proposals showed that 58 per cent voted 'yes' to an introducing a charge for pest control. 58 per cent voted yes to introducing a parking charge for Blue Badge holders in our off-street car parks. 55 per cent voted yes to introducing a percentage charge for credit card payments made to the council. Based on the research findings it is suggested that the above proposals could be implemented with the support of the majority of the respondents, generating a potential income of £218,000.

The response we received to savings proposals showed that 64 per cent of respondents voted 'yes' to delivering libraries and cultural services through a not for profit trust. This was the most supported proposal, offering a potential saving of £391,000. A review to the home to school transport received a split 50:50 response rate between yes and no, this is currently under public consultation which closes 22 December 2014. The associated saving is estimated to be £550,000.

Over one in three (36 per cent) believed that residents could help reduce demand on the council by taking more personal responsibility. This is also supported by other respondents suggesting a need for third party and/or voluntary/co-production collaboration and engagement.

10. Appendices

Online Response.....	Appendix 1
Budget Simulator Responses.....	Appendix 2
Community Engagement Workshop.....	Appendix 3
Social Media Information Report.....	Appendix 4
Equality Impact Assessment.....	Appendix 5
Social Media Management Report.....	Appendix 6

Please Note:

All appendices have been communicated to Bridgend County Borough Council Cabinet Members.

Electronic copies of appendices are available to members of the public on request from:

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2014

REPORT OF THE ASSISTANT CHIEF EXECUTIVE – LEGAL AND REGULATORY SERVICES

COUNCIL'S PERFORMANCE AGAINST ITS CORPORATE PLAN 2013-17

1. PURPOSE OF REPORT

- 1.1 This report introduces the Children's Directorate Dashboard Report to the Committee (attached as Appendix A), with an overview of the Council's progress in delivering its commitments for 2014-15. It covers performance of services relevant to this Committee as at the end of Quarter Two.

2. CONNECTION TO CORPORATE IMPROVEMENT PLAN / OTHER PRIORITIES

- 2.1 The information in this report relates directly to the Council's Corporate Plan 2013-17 which sets out the Council's improvement priorities and identifies actions to realise those priorities.

3. BACKGROUND

- 3.1 In April 2013, the Council published its Corporate Plan 2013-17. The Plan sets out the Council's six improvement priorities and identifies its 2014-15 commitments to deliver those priorities and associated performance indicators. These are revised annually and were approved by Council in February 2014.
- 3.2 The Council also published a four-year Medium Term Financial Strategy (MTFS), which identifies how it will use its resources to support the delivery of the improvement priorities and statutory duties, with an emphasis on delivering more for less.
- 3.3 Directorate business plans set out the contribution that each directorate will make to the delivery of the six improvement priorities. The business plans specify the directorate's resources, service actions to carry out the Council's commitments for 2014-15 and identify indicators for monitoring performance.
- 3.4 In line with the Council's Performance Management Framework, performance by directorates against the commitments and performance indicators in the Corporate Plan is monitored throughout the year by directorate management teams and quarterly at the 'Councils Corporate Performance Assessment meeting between Corporate Management Board and Cabinet.
- 3.5 The Children and Young Peoples' Overview and Scrutiny Committee have performance reports presented to them in relation to directorate performance twice a year for monitoring and scrutiny and as an information report in June/ July to provide an overview of annual performance.
- 3.6 Under the Local Government (Wales) Measure 2009 there is a clear role for scrutiny in the monitoring of the progress of the delivery of the authority's improvement objectives to ensure the delivery of efficient services.

4. CURRENT SITUATION / PROPOSAL

Performance Dashboard

4.1 Attached as appendix A is the performance dashboard used to monitor performance on a quarterly basis through the Council's Corporate Performance Assessment process. It contains summary information relevant to this committee on:

- Performance against the commitments in the corporate plan;
- Performance against performance indicators;
- Finance, including budget and savings information;
- Sickness absence;
- Current issues influencing performance identified by the Cabinet Member and Corporate Director; and
- Corporate risks owned by the directorate

4.2 When examining Appendix A, consideration may wish to be given to

- *How useful the Appendix is in explaining the performance of the Directorate.*
- *Where performance is below target as indicated by the RAG status or performance is going down compared with the same quarter of the previous year, examination of the actions that are, or need to be taken to improve performance in that area.*
- *Where performance is being affected due to budgetary cuts, as part of meeting the Medium Term Financial Strategy, what actions, if any are being taken to mitigate against these reductions in performance.*
- *How useful and informative the service actions are in providing a clear link on the year on year performance in meeting the Improvement Objectives and Outcome Agreements for the Directorate.*
- *In relation to the P.I. SCC004 'Percentage of children looked after on 31 March who have had three or more placements during the year', what are the general reasons behind these LAC having numerous changes in placements and what is being done to prevent this?*
- *What is being done to address sickness absence to try and meet the target set for the end of the year?*
- *Whilst catering services currently have an underspend of £141,000 under Q2, this, as the report states, is as a result of higher than anticipated income from sales of meals. What impact, therefore, will the remodelling of the Meals at Home service have on these sales and the catering services budget?*
- *In light of the increasing number of children being placed for adoption, is the overspend likely to increase for Quarters 3 and 4? Similarly, what assurance can be offered that future targets and thus the resulting budget for adoptions are set appropriately for 2015-16?*
- *The report states that the number of agency staff currently employed is similar to the average number engaged in 2013-14 but the total cost is higher due to longer engagement periods. What is being done to address this in line with the directorate objective to reduce the use and cost of agency staff?*

Commitments

- 4.3 The Council has made 58 commitments for 2014-15 in its Corporate Plan. Seventeen of these are relevant to this committee. At Q2 2014-15, 14 (82%) of these commitments are on track and the other 3 (18%) have been partially completed. The dashboard attached as Appendix A provides a breakdown of performance on its front page and subsequent pages provide more detail against each commitment.

Performance Indicators

- 4.4 There are 39 performance indicators relevant to this committee. At Q2 2014-15, 27 (69%) of these performance indicators are on track, 6 (15%) are missing the target by no more than 10% and 5 (13%) missed the target by greater than 10%. Two indicators do not have a target set. The dashboard attached as Appendix A provides a breakdown of performance on the front page including a comparison with performance at Q2 of 2013-14. Subsequent pages provide details for each performance indicator broken down by broad themes.

Finance

- 4.5 The net revenue budget for directorate for 2014-15 is £124,990,000 and current projections anticipate this budget will be met with no overspend or underspend.
- 4.6 The budget approved for 2014-15 included saving proposals of £3,048,000 (7.6% of net service budget) all of which have been identified.

Sickness Absence

- 4.7 The days lost per FTE (full time equivalent) due to sickness across the Children's Directorate at the end of Q2 2014-15 was 5.95 days, exceeding its target of 4.55 days. The dashboard report attached as Appendix A shows a breakdown of sickness against target for each quarter and highlights the levels of long and short term sickness.

5. EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES

- 5.1 Monitoring the Council's performance against its Corporate Plan forms part of the Council's Performance Management Framework.

6. EQUALITY IMPACT ASSESSMENT

- 6.1 This report provides performance management information and has no negative equality implications.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications.

8. RECOMMENDATION

- 8.1 The Committee consider and note the content of this report and appendix and explore issues consistent with its challenge and support role.

**Andrew Jolley,
Assistant Chief Executive – Legal and Regulatory Services**

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CF31 4WB

Children’s Directorate Performance Q2 14-15

- We are starting to see steady progress being made against the Corporate and Directorate priorities. Budget pressures will continue to reduce our ability to provide good outcomes for children, young people and their families unless we are able to quickly transform Children’s services to embed a whole system approach. The pace of change is on track and can be seen in some very positive data sets including a 51% reduction in NEETS, LAC numbers on a downward trajectory, and good provisional education outcomes for the 13/14 academic year. The final phase of the Directorate restructure is underway and the Children’s Change Programme Board is driving the transformation agenda forward. A strong emphasis on performance, together with investment in evidence based approaches in preventative and early interventions will ensure that progress against priorities will continue to improve further in 2014/15.
- Tackling the rising Looked After Children numbers and expensive out of authority placements for Additional Learning Needs is already playing a significant role in our ability to adapt to those budget pressures, and by focusing on improving evidence based early intervention and prevention we will be able to drive forward improved outcomes for all children, young people and their families.

Commitments 2014-15

RAG – current progress against commitment	Total	Red	Amber	Green
Q2 2014-15 Childrens Directorate Commitments	17	0	3	14

Finance

Revenue Budget

- The net revenue budget for the Directorate for 2014/15 is £124,990,000.
- The current year-end forecast is £124,990,000, meaning a projected **variance of 0%**.

Capital Budget

- The revised budget for the Directorate for 2014-15 is £12,570,000
- The current year end forecast is **£11,551,000** indicating a projected underspend of **£1,019,000**

Efficiency Savings

Savings (£000)	2014-15	%	2015-16	%	2016-17	%
Savings Target	3,048		3512		3874	
Identified	3,048	100%	2837	81%	3298	85%
Yet to find	0	0%	675	9%	576	15%

Additional financial information provided at the end of the report

Current issues

- Continued pressure and the volatile nature of LAC numbers requires robust delivery of the LAC Placement and Permanency Strategy, but still carries significant risk to MTFS savings proposals.
- Recruitment and retention of experienced social workers – this is a national issue.
- Implementation of Central South Consortium business plan to deliver the new Welsh Government Model for Regional Working may require changes to the way we deliver schools HR support, 14-19 services and governor services.
- Realignment of early intervention to become more focused, and driven by a new early intervention strategy, to drive whole system change.

Performance Indicators (Excludes Efficiency Savings Indicator)

RAG – current performance vs target	Total	Red	Amber	Green
Q2 2014-15 – Actual against Target (2 indicators have no target set)	39	5	6	27
<i>Trend – current quarter vs the same quarter of the previous year</i>	Total	↓	↔	↑
Q2 2014-15 – 14-15 Actual against 13-14 Actual (where comparison available)	35	9	1	25

Human Resources

	14-15 Annual Target	Q2 Target	Actual as of Q2	RAG (vs target)	Trend (vs Q2 13-14)
Sickness (days lost per FTE)	9.1	4.55	5.95	Red	↓ (4.49)

	2013-14	2014-15
% Short term sickness	28	28
% Long term sickness	72	72

The Directorate maintains a strong focus on absence management. Short term absence has improved and has been the focus of our interventions. There are a number of long term absences due to serious illness.

Additional sickness information by service area is provided at the end of the report.

High Corporate Risks (risk owner)

Risk	Improvement Priority	Likelihood	Impact	Overall
School Modernisation	2 – Educational Achievement	5	4	20
Supporting vulnerable children & their families	3 – Tackle problems early	4	4	16
Educational attainment	2 – Educational Achievement	4	4	16

Improvement Priority Two: Working together to raise ambitions and drive up educational achievement

Code	Action Required	Status	Comments	Next Steps (for Red and Amber only)
P2.1.1	Use data to ensure we better understand the performance of individuals and groups of learners and offer extra help at an earlier stage in their education	GREEN	We are continuing to improve our management information systems and improve our data capture and analysis capabilities. This will allow us to better target resources early on to where interventions may be needed and assess the effectiveness of those interventions.	
P2.1.2	Support schools to meet pupils' additional learning needs and the needs of more-able pupils who need extra support to reach their full potential	GREEN	In partnership with schools and the Central South Consortium, we are continuing to build capacity and skills to ensure that pupils' additional learning needs and the needs of more-able and talented pupils are identified and supported and the effectiveness of interventions can be monitored.	
P2.1.3	Monitor and seek to improve the effectiveness of schools through the Central South Consortium	GREEN	Feedback from schools is that Central South Consortium interventions have been helpful and provisional categorisations of schools by Central South Consortium indicates that interventions in schools have been effective in ensuring improvement/stability.	
P2.2.4	Reduce the number of young people not in education, employment or training (NEET)	GREEN	There are a whole range of initiatives in place to identify early on those young people at risk of becoming NEET as well as those who are currently NEET (Not in Employment, Education or Training). We have appointed an accountable officer to oversee the effective implementation of the Youth Engagement and Progression Framework Implementation Plan, which is a key strategy for ensuring that we are able to build upon and extend the success of our interventions and support for those learners who are at risk of becoming NEET.	
P2.3.5	Provide 14-19 year olds with the advice they need to ensure they engage in the right type of qualification for them	GREEN	<p>We are leading the integration of services for 14-19 year olds with our partners in the Central South Consortium and this work is improving the provision of advice to provide 14-19 year olds with the right guidance and help to allow them to identify the right type of qualification or learning pathway for them. Our Youth Engagement and Progression Framework Implementation Plan includes actions to ensure a good match between learners' needs and the provision of the most appropriate courses.</p> <p>The collaborative Transformation Review for Post-16 learning provision was completed and implementation was ongoing through the year. Our action plan aims to improve access to clear impartial, careers advice and guidance to assist young people to make the best decisions about their future learning opportunities and options.</p> <p>We now have a specific post within the Just @sk+ service to support looked after children and care leavers to access education, employment and training opportunities. We have also completed the restructure of our provision for learners who are not educated in a school setting, which includes provision for school-age single mothers, to ensure that they are able to access the same learning opportunities.</p>	
P2.4.6	Develop and implement the school attendance strategy	GREEN	The CSC (Central South Consortium) developed its attendance strategy for use by the consortium partners and we have drafted the BCBC Attendance Strategy, which will be reported to Cabinet in December 2014. The strategy takes into account the recently established Code of Practice on the use of Fixed Penalty Notices and associated guidance for schools on their use. It is expected that the strategy will be adopted prior to the March 2015 deadline.	
P2.5.7	Provide community focused schools that support the needs of all learners and their local community	AMBER	The majority of our School Modernisation programme is on track. However, as the programme has been brought forward there is now a sizeable budget deficit of approximately £1m.	Financial planning and monitoring.

PI Ref No	PI Description	Annual target 14-15	Q2 Cumulative Target	Q2 Cumulative Actual	Traffic Light	Trend v Q2 13-14	Comments
Theme: Supporting Pupils with Special Education Needs (SEN)							
EDU015a NSI	Percentage of final statements of special education need issued within 26 weeks: (a) Including exceptions;	75	75	33.33	RED	↑ 3.8 (cumulative for Jan to September 2013)	Significant work has been ongoing to refine the processes to support statementing. At present all statutory assessments that have been received since the Group Manager for Business, Strategy and Performance took over the responsibility for the process in Spring/Early Summer 2014 has risen to 100%. However, we are still having to deal with legacy requests for assessments received for some considerable time before then, with some over a year old. Our processes have been refined, staff are clearer of their roles and performance expectations and the external consultant continues to provide excellent quality statements which minimises the opportunity for challenge. There is considerable confidence that this performance can be sustained although the national Performance Indicator will unfortunately not reflect this now until Jan 2016 as the Performance Indicators is reported nationally on a Jan to Jan basis.
EDU015b NSI	Percentage of final statements of special education need issued within 26 weeks: (b) Excluding exceptions	100	100	100	GREEN	↑ 12.5 (Cumulative for Jan to Sept 2013)	See comments above on EDU015a.
DCH2.2.1	The gap between SEN and non SEN pupils measured by the percentage of pupils achieving the Core Subject Indicator (level 4 or above in English/Welsh, maths and science) at the end of Key Stage 2 in mainstream schools	48.5		40.15 (14-15 actual)	GREEN	↑ 47.31	Annual Performance - In the 2013-14 academic year, the achievement of the Core Subject Indicators (CSI) at KS2 by SEN pupils improved by 8.38% points compared to the previous year. At the same time, the achievement of the CSI at KS2 by Non-SEN pupils improved by 1.23% points. The gap in achievement between the two groups, therefore, narrowed to 40.15%. Factors that are contributory to this improvement in the attainment of CSI at KS2 by SEN pupils are: the restructure of the Inclusion Service; sharper, more-focused support into mainstream provided by the specialist teams; and the tracking of data within each specialist service is more robust and there is greater accountability for outcomes.
Theme : Educational Attainment							
EDU003 NSI, PAM, OA	Percentage of pupils assessed at the end of Key Stage 2, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	84.4		86.2 (14-15 Actual)	GREEN	↑ 82.6	Annual Performance - There was an increase of 3.6% points in the Bridgend pupils who achieved the expected level in the 2013/2014 academic year compared to 2012/2013. Performance was 1.8% points better than our target and was also slightly above the Welsh Average.
EDU004 PAM	Percentage of pupils assessed at the end of Key Stage 3, in schools maintained by the local authority, achieving the Core Subject Indicator as determined by Teacher Assessment	78.5		79.3 (14-15 Actual)	GREEN	↑ 73.5	Annual Performance - Performance was better than target. Also, the increase in pupils who reached the expected level in the 2013/2014 academic year was 5.8% points compared to a 3.98% points increase in the Wales Average. Whilst our performance was, nevertheless, still below the Wales Average, the gap was narrowed to 1.72% points from 3.54% points in 2012/2013.

Theme: School Attendance and Exclusions								
EDU008a	The number of permanent exclusions during the academic year per 1,000 pupils from: a) primary schools	0		0.11 (14-15 Actual)	AMBER	↓	0	Annual Performance - PROVISIONAL ONLY ¹ : One primary school pupil was permanently excluded in the 2013-14 academic year, compared to 0 in 2012-13. The Provisional Jan14 total number of primary children Yrs1-6 is 9247. Provisional result, therefore, is 0.11. The excluded pupil had been in receipt of significant support and interventions from a range of agencies and professionals, from the point of commencing nursery provision, to address poor behaviour. The permanent exclusion occurred after a physical attack on two members of teaching staff.
EDU008b	The number of permanent exclusions during the academic year per 1,000 pupils from: b) secondary schools	1		1.29 (14-15 Actual)	RED	↑	1.6	Annual Performance - PROVISIONAL ONLY: There were 10 permanent exclusions from secondary schools in the 2013-14 academic year, compared to 12 in 2012-13. The provisional Jan14 total pupils for secondary schools are 7769. The provisional result is, therefore, 1.29.
EDU010a	The percentage of school days lost due to fixed-term exclusions during the academic year, in: a) primary schools	0.01		0.01 (14-15 Actual)	GREEN	↓	0.008	Annual Performance - PROVISIONAL ONLY: 31 primary school pupils were subject to fixed-term exclusion in the 2013-14 academic year (32 in 2012-13), for a total of 48 occasions (56 in 2012-13). The total number of school days lost was 176.25 (140 in 2012-13). The denominator for this PI is the total number of school days in an academic year, excluding Inset days, which is calculated using the number of pupils on roll.
EDU010b	The percentage of school days lost due to fixed-term exclusions during the academic year, in: b) secondary schools	0.06		0.042	GREEN	↑	0.087	Annual Performance: PROVISIONAL ONLY: 196 secondary school pupils were subject to fixed term exclusion during the 2013-14 academic year (275 in 2012-13), for a total of 311 occasions (486 in 2012-13) and the total school days lost was 614 (1068.5 in 2012-13).
EDU016b OA	Percentage of pupil attendance in secondary schools	93		93.93	GREEN	↑	92.46	Annual Performance: The attendance rate was better than our target in the 2013/14 academic year and also better than the Wales Average result. Our performance improvement compared to 2012/13 was 1.47% points compared to the 0.98% points increase in the Wales Average. A range of actions and targeted interventions at school and pupil level have underpinned this improvement.

Improvement Priority Three: Working with children and families to tackle problems early

Code	Action Required	Status	Comments	Next Steps (for Red and Amber only)
P3.1.1	Put systems in place so that families need only tell their stories once using the Joint Assessment Families Framework	GREEN	The ICT system put in place to support the JAFF (Joint Assessment Family Framework) and TAF (Team Around the Family) processes has been a success and provides for a more joined up dataset to support our work on early help. We are currently in the process of reviewing the JAFF and the assessment model, which will be reflected the future new structures for our early intervention integrated services.	



¹ The calculation of this PI uses pupil numbers as at PLASC. (Pupil Level Annual School Census) PLASC figures for January 14 are still provisional, the result for these performance indicators must currently be considered provisional.

P3.1.2	Increase the number of staff in a named key worker role within the Multi-Agency Community teams	AMBER	The consultation on the re-structure of the Integrated Working Team commences 3/11/14. This will impact on the Key Worker model.	We will revisit the Key Worker model with all partners once the new structure is in place.
P3.1.3	Continue to develop partnership working arrangements with relevant partners	GREEN	The integration of Safeguarding teams and services into the community hubs is on track. The case for a satellite base for each hub is being revisited as needs are changing. There has been progress in relation to addressing ICT needs and access to systems but these matters will be revisited as part of the restructure of the Integrated Working Team.	
P3.2.4	Improve the way we and other agencies help families address the root cause of their problems	GREEN	The new role of Group Manager for Integrated Working is having a positive impact on joining up our services with partners to ensure we are delivering a full range of initiatives, especially in respect of early help. The success of Connecting Families, the IFSS (Integrated Family Support Service) and the review of our JAFF and TAF approaches has helped us to understand the changes we will need to implement to continue our preventative support to children, young people and their families and has informed our restructure proposals for the Integrated Working Team.	
P3.2.5	Increase the number of family support workers and train them to help families make the decisions that are right for them	GREEN	We have appointed our full complement of Family Support Workers. The Edge of Care pilot project is on track. The Youth Service will be further integrated with Family Support Services as part of the restructure that is commencing on 3rd November 2014. As part of that restructure, the number of FSWs is being increased from 16 currently to 19.	
P3.3.6	Implement Looked After Children (LAC) strategy and the regional adoption service	AMBER	Implementation of the action plan underpinning the LAC Placement and Permanence Strategy is in progress. Implementation of the Western Bay Adoption Collaborative at Q2 was off target due to the delay in finalising the co-location of the service, agreeing proposals for a regional pooled budget and agreeing the interim legal/partnership agreement. Full service implementation is anticipated to be in January 2015.	Activities to finalise the co-location of the service, agree proposals for a regional pooled budget and agree the interim legal/partnership agreement are all ongoing. Full service implementation is anticipated to be in January 2015.
P3.5.8	Increase the number of children benefiting from Flying Start nursery provision by expanding the service into Lewistown, Blackmill and Sarn	GREEN	Our extremely successful Flying Start services are being delivered for all three areas and the number of children benefiting from Flying Start services as at Q2 is already at 75% of the annual target figure. Early difficulties with the Lewistown capital build delayed the start of construction to September 2014. Construction is expected to be complete by March 2015.	

PI Ref No	PI Description	Annual target 14-15	Q2 Cumulative Target	Q2 Cumulative Actual	Traffic Light	Trend	Comments
Theme: Social Work							
DCH3.5.9	The number of Children In Need			661		No comparative data was provided	At 30th September there were 661 Children in Need (CIN) on caseload. Whilst no targets are set for the numbers for CIN on caseload, work is currently being planned to consider how CIN on the open caseload of the DCT could be closed and moved to the Integrated Working Team (IWT) to be worked under a TAF (Team Around the Family) plan. This would potentially reduce the numbers of CIN cases open to DCT. In line with the Children's Services Placement and Permanency Strategy, the same approach will be applied to CIN cases open to the Safeguarding teams following the re-structure of Children's Services.

PI Ref No	PI Description	Annual target 14-15	Q2 Cumulative Target	Q2 Cumulative Actual	Traffic Light	Trend	Comments
DCH3.7.1	Assessment/Safeguarding teams' social workers average case-loads	18	18	17	GREEN	↓	16 The average caseload during Q2 was 16 compared to 18 for Q1. Consequently, the cumulative average for the half year was 17, against a target of 18. The joint Safeguarding and Human Resources forum has continued to meet, examine options and develop actions aimed at maintaining our child social care workforce. This has enabled the recruitment of qualified social work staff, which has improved our capacity.
DCH3.7.2	Assessment/Safeguarding teams' senior social work practitioners' average case-loads	10	10	11	AMBER	↑	14 Average figure for Q2 is 11. This result needs to be considered in the context of a large percentage our current social workers being either newly-qualified or in their 2nd year of post-qualifying practice. The impact of this has been that senior practitioners within teams have had to carry higher caseloads than we would wish, which are additionally more complex.
DCH3.7.3	Number of prospective adopters approved	16	8	8	GREEN	↓	12 , the mid-year target has been met and we are on track with allocated assessments to significantly supersede the annual target.
DCH3.7.6	Number of Special Guardianship Orders (SGOs) granted	15	7.5	10	GREEN	↔	10 Despite only 3 Special Guardianship Orders (SGO) being granted during Q2, performance is above the mid-year target. A number of SGO applications are still within the court arena due to a number of factors such as parental challenges to the order, complex health needs of the child resulting in the appointment of experts to assess family members, and proceedings not concluding within the timescales anticipated. However, it is anticipated that the Permanence Team will yield results during Q3 and Q4.
SCC011a PAM	Percentage of initial assessments that were completed during the year where there is evidence that the child has been seen by the Social Worker	75	75	67.6	AMBER	↓	71.2% During Q2, 293 children should have been at Initial Assessment (IA). , in total, 261 children were seen at Initial Assessment (89.1%). The reasons why the remaining 32 children were not seen at IA have been identified and are to be investigated.
SCC011b NSI	Percentage of initial assessments that were completed during the year where there is evidence that the child has been seen alone by the Social Worker	45	45	47	GREEN	↓	47.9% Performance has improved from 42% in Q1 to 51.9% in Q2, resulting in the cumulative position being above target. There were 119 children not seen alone at initial assessment with the main reasons given as- Child deemed to be too young/non-verbal/has limited understanding of situation/requires advocate (58) Child refused to be seen or requested parent/care to be present (19)
SCC030a	Percentage of young carers known to Social Services who were assessed	100	100	100	GREEN	↑	100% 100% performance has been achieved during Q2
SCC030b	The percentage of young carers known to Social Services who were provided with a service.	100	100	100	GREEN	comparative data not provided	100% performance achieved in Q2

SCC016	Percentage of reviews of carried out in accordance with the statutory timetable (children in need)	70	70	74.7	GREEN		60.2	During Q1 & Q2, 437 out of 585 children in need reviews were held within compliance. Performance is therefore above target.
DCH3.2.1	The number of children recorded on the Child Protection Register.			175		No comparative data was provided		Q2 additions - 46 de-registrations - 53 There has been a further decrease in Child Protection Register numbers during Q2. This can be attributed to a significant drop in the number of additions to the register (72 in Q1 and 46 in Q2). However, it might be important to note that there were a further 12 initial CP conferences held in Q2 on unborn babies. The outcome of these was to defer registration until birth. There were an additional 8 initial conferences held where the decision was not to add the names to the register.
DCH3.7.4	Number of children adopted	16	8	14	GREEN		10	The mid-year target has been more than superseded. Furthermore, there are a large number of children anticipated to be leaving the Looked After Children (LAC) system through adoption by the end of the financial year.
DCH3.7.5	Number of Child Arrangement Orders (previously Residence Orders) granted.	7	3.5	1	RED		14	Whilst the LA set aspirational targets for Child Arrangement Orders the preferred method of securing permanence would be through adoption or Special Guardianship Orders. However, during Q2 one Child Arrangement Order was granted. This was a unique case whereby the Care Order on the child was overturned by the courts in favour of father and a Child Arrangement Order granted.
DCH3.7.7	Number of care orders discharged	4	4	15	GREEN		7	The year-end target has been surpassed.
SCC034	Percentage of reviews of carried out in accordance with the statutory timetable (child protection)	99	99	100	GREEN		98.5	During Q2, all 136 Child Protection Review Conferences due were held within statutory timescales. The Reviewing Service has continued to work extremely hard to meet the target despite the increased number of Looked After Children and children on the Child Protection Register.

Theme: Multi –agency working								
DCH3.5.1	The number of families benefiting from intensive family support provided by Connecting Families (CF) and Intensive Family Support Services (IFSS) that adopt a 'team around the families' (TAF) approach	160	80	82	GREEN		85	On target. Referral numbers in Q2 were: 29 Integrated Family Support Service (7 x Bridgend; 12 x Neath Port Talbot; 10 x Swansea) 18 Connecting Families
DCH3.5.6	Percentage of families reporting satisfaction with the service they received	100	100	100	GREEN		100	
DCH3.5.7	Percentage of children and young people reporting satisfaction with the service they received	100	100	100	GREEN		100	Satisfaction is collected from the family record and not directly from children/young people. 100% performance is being maintained.
DCH3.6.6	Number of children benefiting from the Flying Start programme (Flying Start Welsh Government set minimum number of children receiving FS services (CAP))	1421	1296	1358	GREEN		1185	No anticipated issues with achieving annual target.
Theme: Looked After Children								
SCC001a PAM	Percentage of first placements of Looked After Children during the year that began with a care plan in place	95	95	95.5	GREEN		87.5%	Performance has steadily improved during Q2 with only 1 out of the 31 new placements failing to have a written and approved care plan in place before the start of the placement.
SCC004 NSI, PAM	Percentage of children looked after on 31 March who have had three or more placements during the year	9	9	10.4	RED		12.5%	During Q2, 39 out of 402 looked after children had 3 or more placements during the previous 12 months. Of these, 23 were teenagers aged between 13-17yrs. Nine were under 5yrs and seven aged between 5 and 12yrs.
SCC021	Percentage of looked after children reviews carried out within statutory timetables during the year	99	99	97.4	AMBER		96.4	Out of 293 LAC (Looked After Children) Reviews due in the quarter, 286 were held within compliance leaving just 7 reviews held out of timescales
SCC025 PAM	Percentage of statutory visits to Looked After Children due in the year that took place in accordance with regulations	80	80	73.1	AMBER		62.6%	Of the 744 visits logged in Q2, 535 were undertaken within timescales. It is significant to note that over Q1 and Q2 208 of these visits missed compliance by 7 days or less.
SCC045 PAM	Percentage of reviews of Looked After Children, children on the Child Protection Register and Children In Need carried out in line with the statutory timetable	85	90	89	AMBER		83.7	During the first six months of the year, 1328 out of 1492 children's reviews have been held within compliance. Consequently, current performance is 89% and falls marginally short of the 90% target. The Reviewing Service has continued to work extremely hard

									to meet the targets for Looked After Children and Child Protection Reviews despite the increased number of Looked After Children and children on the Child Protection Register.
Theme: Supporting former Looked After Children									
SCC033d NSI	Percentage of: d) young people formerly looked after with whom the authority is in contact at the age of 19;	90	90	100	GREEN	↑	88.9%		Full compliance has been achieved in Q2
SCC033e NSI	Percentage of: e) young people formerly looked after with whom the authority is in contact, who are known to be in suitable, non-emergency accommodation at the age of 19;	100	100	100	GREEN	↑	100		Full compliance achieved during Q2.
SCC033f NSI	Percentage of: f) young people formerly looked after with whom the authority is in contact, who are known to be engaged in education, training or employment at the age of 19	85	85	66.7	GREEN	↑	25%		During Q2, 4 out of 6 young people were in education, training or employment. Of the two exceptions, one is a registered full time carer for mother. The other young person resides in accommodation that includes a specialist support package and the particular situation of this young person in relation to employment is currently under examination.
SCC041a NSI	Percentage of eligible, relevant and former relevant children that have pathway plans as required	100	100	92	AMBER		No comparative data was provided		The Q2 figure is below target but is an improvement on the 2013-14 figure. Of the 125 young people in the cohort, 115 had a current pathway plan at 30th September 2014. Of the ten exceptions, two now have Pathway Plans in place and the remainder are in progress as they are only just past the age requirement of 16yrs 3mths.


Improvement Priority Five: Working together to tackle health issues and encourage healthy lifestyles

Code	Action Required	Status	Comments	Next Steps (for Red and Amber only)
P5.6.8	Protect and promote the health, safety and wellbeing of our employees (CH)	GREEN	The Directorate Induction Framework and supporting materials for managers were launched in September 2014. They represent a further means to reinforce the actions that are required by both managers and staff to safeguard health and safety. All necessary actions are being taken to ensure that the accommodations at Civic Offices and the Old Ogmores Comprehensive School site meet the needs of all staff, including those with special needs.	

Improvement Priority Six: Working together to make the best use of our resources

Code	Action Required	Status	Comments	Next Steps
P6.1.4	Deliver the savings proposals identified in the 2014-15 budget (CH)	GREEN	The savings identified within the 2014-15 MTFS (Mid Term Financial Strategy) have been found. There remains an issue of overspend in some areas of the Directorate budget (Looked After Children).	To monitor overspend.

P6.5.6	Share best-practice and take action, where necessary, to reduce absence levels (CH)	GREEN	Business Managers are receiving Directorate sickness reports on a monthly basis from HR, which include the necessary information to invoke formal proceedings under the sickness policy in respect of triggers. Group Managers in the Directorate are not receiving overall sickness rates data and this is to be raised by the GM for Business Strategy and Performance at the next meeting with HR.	
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PI Ref No	PI Description	Annual target 14-15	Q2 Cumulative Target	Q2 Cumulative Actual	Traffic Light	Trend vs Q2 13-14	Comments
CHR002iv	Number of working days per full time equivalent lost due to sickness absence (Childrens)	9.1	4.55	5.95	RED	 4.49	The Directorate's sickness rate for Q2 was 2.75, compared to 1.98 for Q2 in the previous year. The Q2 rate represented a reduction on the Q1 position. The cumulative rate for the half year is higher than target, which is bad.

PI Ref No	PI Description	Annual target 14-15 £'000	Performance as at Quarter 2						Comments
			Red		Amber		Green		
			£'000	%	£'000	%	£'000	%	
DWB6.1.1iv	Value of planned budget reductions achieved	3,048	0	0	200	6.6	2,848	93.4	

Additional Financial Information = Main Revenue Budget Variations

The net budget for the Directorate for 2014-15 is £124.990 million and it is currently projected to breakeven, including £62,000 from an earmarked reserve to offset additional costs should LAC numbers rise. Total LAC is currently 402, a decrease of 8 since the monitoring report to the end of June. The main budget variances include:

CHILDREN'S DIRECTORATE	Net Budget £'000	Outturn £'000	Variance Over/(under) budget £'000	% Variance
Schools Special Needs	2,519	2,307	(212)	-8.4%
Catering Services	858	717	(141)	-16.4%
Integrated Working	528	387	(141)	-26.7%
Looked After Children	11,141	11,306	165	1.5%
Other Child and Family Services	766	956	190	24.8%
Commissioning and Social Work	4,244	4,490	246	5.8%

School Special Needs

- There is a projected underspend of £212,000 in relation to support for special educational needs services for schools. The service has recently been restructured and the underspend is as a result of strict vacancy management in anticipation of future MTFs savings.

Catering Services

- The catering service is anticipating an underspend of £141,000 as a result of higher than anticipated income from sales of meals.

Integrated Working

- The Integrated Working team, which comprises family support services, integrated family support services and connecting families, is anticipating an underspend of £141,000 due to a number of vacant posts being held pending a restructure of the service.

Looked After Children

- LAC numbers have decreased and currently stand at 402 as at the end of September. There is an overspend on the in-house fostering budget as a result of the disbanding of the joint Resolutions fostering service and the transfer of the carers to the in-house team. The resolutions carers are currently paid at a protected rate and this continues until the end of March 2015. The total overspend of £165,000 includes the £62,000 transfer from earmarked reserves.

Other Child and Family Services

- The overspend of £190,000 on this budget relates to a higher number of children being placed for adoption than is budgeted for and a higher average cost due to the need to use independent agencies to secure adopters. The target set by the service for the year was 15 and as at the end of September 17 children had been successfully placed, with a total of 29 anticipated by the end of the year. The Directorate is striving to increase the number of adoptions in an attempt to provide a more permanent solution for children and reduce the numbers of Looked After Children

Commissioning and Social Work

- The overspend of £246,000 on this budget relates to a high level of agency cover across the service. Currently there are 9 agency staff in the service, which is similar to the average number engaged in 2013-14, but the total cost is higher due to longer engagement periods. The directorate's drive to recruit permanent social workers is on-going, in partnership with the human resources service.

Additional Financial Information = Main Capital Budget Variances

The current year end forecast is £11,551,000 indicating a projected underspend of £1,019,000. The main variances are:

Main Scheme	Revised Budget 2014-15 £'000	Total Expd to Date 2014-15 £'000	Projected 2014-15 £,000	Over / (Under) Spend £'000	Slippage Requested 2014-15 £'000	Impact on BCBC Resources £'000	Comments
Gateway Primary School Development	529	0	50	(479)	479	0	A revised financial profile is currently being negotiated with Welsh Government, but design will continue in 2014-15.
Garw Valley South provision	800	0	260	(540)	540	0	A revised financial profile is currently being negotiated with Welsh Government.
Children's Directorate Total	12,570	1,374	11,551	-1,019	1,019	0	

Additional Sickness Information by Service Area

Unit	Average FTE 10.09.14	QTR2 2013/14			QTR2 2014/15		
		Number of FTE days lost	No. of Absences	Days per FTE	Number of FTE days lost	No. of Absences	Days per FTE
Safeguarding & family Support	163.30	680.46	80	2.92	658.34	55	4.03
Strategy Partnership & Commissioning	410.27	525.65	113	1.53	1041.22	179	2.54
Business Strategy & Support	43.36	166.83	14	2.51	206.03	23	4.75
Catering Services	140.51	188.67	108	1.30	180.75	117	1.29
CHILDREN'S TOTAL (excl. Schools)	757.44	1561.61	315	1.98	2086.34	374	2.75

Abbreviations

NSI	National Strategic Indicator. This type of indicator is statutory, set by the Welsh Ministers under the Local Government (Wales) Measure 2009. Local authorities have a legal duty to collect and report on these.
PAM	Public Accountability Measure. The Public Accountability Measures consist of a small set of “outcome focused” indicators. They reflect those aspects of local authority work which local authorities across Wales agree are considered to be important in terms of public accountability.
OA	Outcome Agreement. Outcome Agreements

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2014

REPORT OF THE ASSISTANT CHIEF EXECUTIVE – LEGAL & REGULATORY SERVICES

FORWARD WORK PROGRAMME UPDATE

1. Purpose of Report

- 1.1 The report presents the items due to be considered at the Committee's Special meeting to be held on 6 January 2015 and seeks confirmation of the information required for the Ordinary meeting to be held on 17 February 2015.

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

- 2.1 The key improvement objectives identified in the Corporate Plan 2013–2017 have been embodied in the Overview & Scrutiny Forward Work Programmes. The amended Corporate Improvement Objectives adopted by Council on 19 February 2014 formally set out the improvement objectives that the Council will seek to implement between 2013 and 2017. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

3. Background.

- 3.1 At its meeting on 10 June 2014, the Children and Young People Overview and Scrutiny Committee determined its Annual Forward Work Programme for 2014-15.

4. Current Situation / proposal.

Meetings of the Children and Young People Overview and Scrutiny Committee

- 4.1 In relation to the Committee's next meeting, scheduled to be held on 6 January 2015, the table below lists the items to be considered and the invitees due to attend.

Topic	Invitees	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
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Annual School Performance 2014	Deborah McMillan, Corporate Director - Children's Services Cllr Huw David, Cabinet Member Children & Young People Consortium reps Paul Wolstenholme, Bridgend Link Adviser Hannah Woodhouse, Managing Director CSC Robert Hopkins, School Improvement CSC Jeremy Thompson, Challenge Adviser Cllr Chris Elmore, Chair of Joint Consultative Committee of CSC	BCBC Schools performance report on 2014 results	
Attendance Strategy	Deborah McMillan, Corporate Director - Children's Services Cllr Huw David, Cabinet Member Children & Young People	Report detailing school attendance strategy	

4.2 The table below lists the items to be considered and the invitees due to attend in respect of a Special meeting of the Committee due to be held on 17 February 2015.

Topic	Invitees	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
Quarter 3 Performance 2014/15	Deborah McMillan, Corporate Director - Children's Services Cllr Huw David, Cabinet Member Children & Young People	Quarter 3 Directorate Performance Report	
Learner Transport	Deborah McMillan, Corporate Director - Children's Services Cllr Huw David, Cabinet Member Children & Young People Nicola Echanis, Head of Strategy Commissioning and Partnerships Robin Davies, Group Manager Business Strategy & Performance Kevin Mulcahy, Group Manager Transport Michele Hatcher, Group Manager Inclusion	Report detailing outcome of consultation on Learner Transport	
Children's Directorate Business Plan	Deborah McMillan, Corporate Director - Children's Services Cllr Huw David, Cabinet Member Children & Young People Nicola Echanis, Head of Strategy Commissioning and Partnerships Colin Turner, Head of	Receive draft Directorate Business Plan for comment	

	Safeguarding and Family Support		
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5. Effect upon Policy Framework and Procedure Rules.

5.1 The work of the Children and Young People Overview and Scrutiny Committee relates to the review and development of plans, policy or strategy that form part of the Policy Framework and consideration of plans, policy or strategy relating to the power to promote or improve economic, social or environmental well being in the County Borough of Bridgend.

6. Equality Impact Assessment

6.1 There are no equality impacts arising from this report.

7. Financial Implications

7.1 None.

8. Recommendation

The Committee is asked to:

- (i) Note the topics due be considered at the Special meeting of the Committee scheduled for 6 January 2015 and confirm if it requires any additional specific information to be provided by the invitees listed or the Overview & Scrutiny Unit;
- (ii) Determine the invitees to be invited to attend, any specific information it would like the invitees to provide and any research that it would like the Overview & Scrutiny Unit to undertake in relation to its subsequent meeting, scheduled to be held on 17 February 2015.

**Andrew Jolley,
Assistant Chief Executive – Legal & Regulatory Services
2014**

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Background Documents:

None