

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



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

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

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

Date / Dyddiad: Wednesday 18 November 2015

Dear Councillor,

COUNCIL

A meeting of the Council will be held in the Council Chamber, Civic Offices, Angel Street, Bridgend on **Wednesday, 25 November 2015 at 3.00 pm.**

AGENDA

1. Apologies for absence
To receive apologies for absence from Members/Officers for the reasons so stated
2. Declarations of Interest
To receive declarations of personal and prejudicial interest from Members/Officers in accordance with the Members' Code of Conduct adopted by Council from 1 September 2008
3. Approval of Minutes 3 - 22
To receive and confirm the minutes of a meeting of Council dated 28 October 2015
4. To receive announcements from:
(i) Mayor (or person presiding)
(ii) Members of the Cabinet
(iii) Chief Executive
5. To receive the report of the Leader
6. Half Year Treasury Management Report 2015-16 23 - 38
7. 2016-17 Council Tax Base 39 - 42
8. Webcasting of Council Meetings 43 - 46
9. Overview and Scrutiny Annual Report 2014-15 47 - 70

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10. 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:

S Aspey
M W Butcher
N Clarke
H J David
G Davies
P A Davies
G W Davies MBE
E Dodd
D K Edwards
L Ellis
N Farr
E P Foley
C A Green
M Gregory
E M Hughes
C J James
P James
R M James

Councillors

R D Jenkins
P John
B Jones
C L Jones
R C Jones
M Jones
D R W Lewis
J E Lewis
J R McCarthy
H E Morgan
L C Morgan
M E J Nott OBE
A D Owen
D G Owen
D Patel
G Phillips
D R Pugh
C Reeves

Councillors

M Reeves
D Sage
C E Smith
J C Spanswick
G Thomas
M Thomas
R Thomas
J H Tildesley MBE
H J Townsend
E Venables
K J Watts
C Westwood
D B F White
P J White
H M Williams
R Williams
M Winter
R E Young

MINUTES OF A MEETING OF THE COUNCIL HELD IN COUNCIL CHAMBER, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON WEDNESDAY, 28 OCTOBER 2015 AT 3.00 PM

Present

Councillor RE Young – Mayor and Chairperson

S Aspey	HJ David	M Gregory	MEJ Nott OBE
JH Tildesley MBE	PJ White	E Dodd	N Clarke
G Davies	GW Davies MBE	PA Davies	DK Edwards
EP Foley	EM Hughes	CJ James	P James
RM James	M Jones	DRW Lewis	JE Lewis
JR McCarthy	HE Morgan	AD Owen	DG Owen
G Phillips	DR Pugh	CL Reeves	M Reeves
CE Smith	JC Spanswick	M Thomas	RL Thomas
HJ Townsend	KJ Watts	C Westwood	DBF White
HM Williams	R Williams	LC Morgan	N Farr

Officers:

Darren Mepham	Chief Executive
Susan Cooper	Corporate Director - Social Services & Wellbeing
Deborah McMillan	Corporate Director - Education & Transformation
Andrew Jolley	Assistant Chief Executive Legal & Regulatory Services and Monitoring Officer
Randal Hemingway	Head of Finance & ICT
Laura Kinsey	Head of Safeguarding and Assessment
Satwant Pryce	Head of Regeneration and Planning
Gary Jones	Head of Democratic Services
Andrew Rees	Senior Democratic Services Officer - Committees

538. APOLOGIES FOR ABSENCE

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

Councillor M Butcher – Personal commitment
Councillor CA Green – Holiday
Councillor R Jenkins – Hospital appointment
Councillor P John - Holiday
Councillor CL Jones – Holiday
Councillor RC Jones – Other Council Business
Councillor D Sage – Medical appointment
Councillor G Thomas – Attending a funeral
Councillor E Venables – Holiday
Ness Young – Corporate Director Resources & Section 151 Officer - Holiday
Mark Shephard – Holiday

539. DECLARATIONS OF INTEREST

The following Declarations of Interest were made in relation to agenda item 8 – Notice of Motion.

Councillor R Young – Personal interest as a member of the GMB Union.

Councillor DBF White – Prejudicial interest as a member and shop steward of the City and County of Swansea Unison Branch and withdrew from the meeting during consideration of the Notice of Motion.

Councillor C Reeves – Personal interest as a member of the Public and Commercial Services Union.

Councillor RL Thomas – Personal interest as a member of the GMB Union.

Councillor JC Spanswick – Personal interest as a member of the GMB Union.

Councillor R Williams – Personal interest as a retired member of Unison.

Councillor H Townsend – Personal interest as a member of the GMB Union.

Councillor M Reeves – Personal interest as a life member of the Public and Commercial Services Union and a member of Unite the Union Westminster Branch.

Councillor M Gregory – Personal interest as a member of Unite the Union.

Councillor HJ David - Personal interest as a member of Unite the Union.

Councillor AD Owen – Personal interest as a member of the Fire Brigades Union.

Councillor M Jones - Personal interest as a member of the GMB Union.

Councillor JE Lewis - Personal interest as a retired member of Unison.

Councillor DK Edwards - Personal interest as a life member of Unite the Union.

Councillor CE Smith – Personal interest as a member of the University and College Union and a member of Unison.

Councillor N Farr – Prejudicial interest as a member of Unison.

Councillor G Phillips – Personal interest as a retired member of the University and College Union.

Councillor J McCarthy - Personal interest as a retired member of Unite the Union.

Councillor PJ White – Personal interest as a member of the National Union of Mineworkers.

Councillor PA Davies - Personal interest as a retired / life member of Unite the Union.

Councillor M Thomas - Personal interest as a retired member of Unite the Union.

Councillor G Davies - Personal interest as a retired member of the AMPS Union.

Councillor D Pugh - Personal interest as a retired member of Unison and the National Union of Mineworkers.

Councillor MEJ Nott - Personal interest as a retired member of the RMT Union.

Councillor HM Williams - Personal interest as a member of the National Farmers Union.

540. APPROVAL OF MINUTES

RESOLVED: That the minutes of the ordinary meeting of Council of 7 October 2015 be accepted as a true and accurate record subject to the inclusion of the names of Councillor CJ James and Councillor P James in the list of apologies for absence in minute no. 526.

541. PRESENTATION

Council received a presentation by Mr Jon Rae Director of Resources of the WLGA on the Financial Outlook for Councils in Wales. He outlined to Council the real terms decreases in Welsh local government spend 2009-10 to 2015-16 compared with comparable decreases in expenditure in England, Northern Ireland and Scotland. He also outlined the inexorable pressures on budgets up to 2019-20 on Education, Social Services, fixed budgets and other services; funding and spending projections and the budget shortfall implications for controllable budgets.

The Director of Resources of the WLGA informed Council of forthcoming key dates in the local government calendar which would see the announcement of the Local Government Paving Bill on 24 November 2015; the Chancellor's Spending Review on 25 November 2015, the Welsh Government Draft Budget on 8 December 2015; the Provisional Local Government Settlement on 9 December 2015, the Welsh Government Final Budget would be laid on 1 March 2016 with the final Local Government Settlement on 2 March 2016.

The Director of Resources of the WLGA also informed Council of the various options favoured by the political parties of the Assembly for the reform of local government. He also outlined some lessons learnt from local government in England. He referred to the findings of the Grant Thornton 20-20 Report on the future of Welsh local government whereby Councils need to be adaptive but are only able to act with a short-term view. The WLGA had proposed the introduction of 3 year financial settlements to assist planning and to de-hypothecate £915m of specific grants for councils to prioritise locally, saving up to £70m and the transfer of public health into local government would save £72m. The WLGA also advocated the end of protection of schools budgets and proposed investing in preventative services by creating a £400m Better Care Fund. It also advocated the integration of health and social care and to give local government access to the £22m plastic bags levy. The WLGA also proposed the ending of the £60 cap on domiciliary care costs and the creation of a new £20m fund to invest in service mergers and ADMs.

The Mayor on behalf of Members thanked Mr Rae for his informative presentation.

Members considered the need to look at economic regeneration and growth in order to create the right conditions for private sector investment by looking at practices in English local government. The Director of Resources of the WLGA stated there had been a change in focus by the Scottish Government in relation to creating conditions for economic regeneration and growth, whilst the finance system in English local was incentivised towards business. He stated that economic regeneration and growth could be strengthened by giving local authorities statutory powers for economic development.

Members also considered the need to increase collaboration across the public sector due to reductions being made to visible services. Concern was expressed at Councils' ability to provide services in the future leaving little option but to merge with each other.

542. TO RECEIVE ANNOUNCEMENTS FROM:

MAYORAL ANNOUNCEMENTS

The Mayor announced that he and the Mayoress had hosted the Stroke Club's coffee morning in Evergreen Hall recently and were happy to support the start of their 'Give a Hand' campaign which is up and running this half-term week. The campaign invites locals to take part in a range of fundraising activities, by only using their 'other' hand – the one they normally would not use. Further information was available online at give.stroke.org.uk/giveahand. He stated that this was a fun campaign to raise awareness of a serious subject which affects so many by using the hand which you would not normally use, which puts into perspective challenges faced by stroke sufferers daily. The Mayor stated that the Stroke Association provide wonderful support for stroke survivors during rehabilitation, and he was personally delighted to 'Give a Hand' to support this initiative. The Mayor thanked Karyl Carter and her team for the amazing work they do, and he congratulated her once again for her award of the BEM in the last Mayoral year.

The Mayor announced that the Mayor's Parlour had once again hosted official British Empire Medal presentations. Kate Thomas, Lord Lieutenant of Mid Glamorgan, on

behalf of the Queen, awarded Town Councillor and Past Bridgend Borough Mayor, Doug John, his medal for services to the community in Pencoed and to Mrs Jean Schofield, her medal as Chair, of the Porthcawl Branch Kidney Research Unit for Wales Foundation for services to kidney research. He stated that it had been a wonderful afternoon and as Mayor was proud to offer use of the Parlour for such an auspicious occasion, and to be part of honouring these special Bridgend citizens.

The Mayor also announced that following the success of the recent Bridgend Business Awards a schedule was being drawn up to visit the local companies and he was looking forward to meeting winners and their teams during the next few months.

The Mayor announced that he and the Mayoress had attended Dixie Dean's annual Poppy Concert last week which was a very moving event and was honoured that he was asked to speak. He stated that those who had died and were wounded in conflicts from the First World War up to the present will be remembered on Sunday 8th November in Bridgend Town Centre to lay wreaths on behalf of Bridgend County Borough. He felt certain that many would also be gathering at local memorials to give their thanks too. He hoped that everyone would take a moment on Wednesday 11th November to remember the 11th hour of the 11th day together.

The Mayor also announced that he would be hosting a Charity Luncheon at The Great House, Laleston on Friday 30 October 2015. Tickets for the event were available from Councillor Marlene Thomas or Mari Major. Huw Irranca-Davies MP would be speaking and Janice Gregory AM has kindly offered to compere.

MEMBERS OF THE CABINET

Deputy Leader

The Deputy Leader announced that today marks a significant step in the third phase of our School Modernisation programme as the Council has taken delivery of the all new Coety Primary School, a £7.3m state of the art facility which has been constructed by Bouygues UK within the Parc Derwen housing development less than a mile away from the school's old location. The school had been funded through the Welsh Government's 21st Century Schools programme and Section 106 contributions; the new school is twice the size of its predecessor and will cater for more than 400 pupils, including nursery-age children. He stated that pupils will enter their new classrooms for the first time on Monday morning and see for themselves its fantastic new facilities, which have been designed to BREEAM Excellent standards to lead the way in terms of being sustainable and energy efficient. Plans are also in place to make the school's facilities available to the wider community and an official opening will take place soon. He thanked everyone who has helped to reach this important milestone, and he was confident that this superb new school will provide a first-class learning environment for many future generations of local children.

The Deputy Leader also announced that the Council recently learned that St Mary's and St Patrick's Catholic Primary School came out of Estyn monitoring recently. This news follows a 2014 inspection report which found that most pupils at the school have made good progress, that provision for those with additional learning needs is good, and that many pupils use their literacy and numeracy skills effectively. The report found teaching to be of good quality throughout the school, with good standards of behaviour and provision for pupils' wellbeing, and also praised head teacher Jackie Phillips for having raised expectations to tackle underachievement. He congratulated teachers, staff, pupils and governors at the school for their hard work and efforts to deliver this extremely positive result.

Cabinet Member Communities

The Cabinet Member Communities announces that he was extremely happy to confirm that work to ensure the Bridgend town centre A473 inner bypass bridge remains safe for drivers to use has been completed. He stated that this was a major project that had to be carried out in phases after structural surveys revealed the well-used town centre bridge was in need of urgent maintenance if it was to remain safe and durable for the future. The project was funded through the Welsh Government's LGBI highways improvement initiative, the work involved repairs to parapets and concrete supports, replacing the bridge bearings, installing additional drainage and providing improved street lighting, waterproofing and road surfacing, while keeping traffic moving through the town as freely as possible.

A great deal of the work took place below deck as well as on top of the bridge, and required several contraflow systems to be established plus a temporary closure of the junction with Merthyr Mawr Road. To minimise disruption, much of the work was timed to take place during the school summer holiday periods, and care was also taken to avoid carrying out work during key trading periods such as Christmas. As a result of the work, we have been able to ensure that the town centre inner bypass bridge remains safe for drivers to use in the years ahead. He thanked all officers who helped deliver this complex project as well as local residents for their patience and understanding.

Cabinet Member Adult Social Care and Health and Wellbeing

The Cabinet Member Adult Social Care and Health and Wellbeing announced that there are less than six months left to go before the new Social Services and Well-Being (Wales) Act comes into force in April 2016. The new Act is designed to give people more choice and control over what support they receive, so the council is already working with partners to prepare for the implications of the Act. People with learning disabilities will have more choice over what they do during day services provided at centres across the County Borough. The Council has been working with organisations such as DRIVE, Mirus, Trinity Care and Cartrefi Cymru to create high quality alternatives for those who want them. Some of these alternatives include musical workshops, arts and craft sessions, sports events, exercise and well-being activities, lunch clubs and much more. He stated that the Council plans to expand the range of opportunities available locally and give people with learning disabilities and other adults who may find these activities beneficial a chance to pursue particular interests within a supportive environment. Further updates will be forthcoming to ensure that people are aware of what opportunities are available within their communities; residents would be informed about what the new Act will mean for them over the next six months.

Cabinet Member Children's Social Services and Equalities

The Cabinet Member Children's Social Services and Equalities announced that this week marks a national awareness campaign in recognition of the sons and daughters of families who foster and who welcome other children into their homes. She stated that the Council is supporting Sons and Daughters week as it is not just adults who play an important role in fostering. Many foster carers have their own children who share their homes, toys, and above all, their parents with other young people in need of support, and they sometimes have to cope with difficult and challenging behaviour. Fostering has a huge impact on the whole household, and it was extremely important that sons and daughters are recognised and celebrated as they play a crucial role in helping foster children settle into a new home, as well as providing support for the most vulnerable children in the County Borough. Many people who may be interested in fostering express concerns about how it might affect their own children. To mark the week and help put their minds at ease, a series of videos have been made available on the Council's website featuring the children of local foster carers. The Cabinet Member Children's Social Services and Equalities strongly recommended that Members watch

them as they offer an excellent insight into the important roles that these children play in the fabric of the community.

Cabinet Member Resources

The Cabinet member Resources informed Members that a pre-Council presentation in November will be on the Local Transport Plan. He stated that numerous interesting requests for future topics for Pre-Council Briefings had been received, however if Members have any additional topics they would be considered and prioritised by the Democratic Services Committee at its meeting in November and requests for consideration should be directed to the Head of Democratic Services.

He also announced that details of the Members who have completed their annual reports for publication have been reported to the Independent Remuneration Panel for Wales as requested by the Minister for Public Services. Any outstanding reports can be submitted to Democratic Services for publication.

The Cabinet Member Resources announced that 11 Personal Development Reviews (PDRs) have been completed and received by the Head of Democratic Services to date. He stated that PDRs are carried out as part of a peer review process and to help assess any training opportunities that could be included in the Member Development Programme and he recommended that it would be beneficial for Members to engage in the process.

The Cabinet Member Resources also announced that the Democratic Services Committee would be considering the Draft Annual Report from the Independent Remuneration Panel for Wales at its meeting on 5 November 2015. The draft report proposes changes to the remuneration of elected members in 2016-17 which has been circulated to all Members for information by the Head of Democratic Services. He stated that any Members wishing to express their views as part of the consultation process should contact the Chairperson of the Democratic Services Committee or the Head of Democratic Services.

Cabinet Member Regeneration and Economic Development

The Cabinet Member Regeneration and Economic Development announced that the Council has written to all town and community councils to inform them that on 1 November 2015 it intends to close public toilets identified during the recent consultation and review. Town and community councils have also informed them that if they so wish, they can take over the running of these facilities from this date under licence from the authority until such time as a full community asset transfer is in place. In the longer term, the Council is also continuing to discuss options for asset transferring closed toilet facilities across to town and community councils who may not currently be in a position to take them on. He stated that the Council would much rather be opening public toilets instead of closing them, but it had to be realistic about the financial situation it faced and the options that are available as a direct result of this.

The Cabinet Member Regeneration and Economic Development also announced that he was very happy to report that that Cornelly Community Council has agreed to take on the cleaning of the public toilets located at Kenfig National Nature Reserve, and that these facilities are going to remain open at this very popular visitor destination. He thanked the community council for working so closely with on this difficult issue as it offered a model for what can be achieved when it works in partnership together. He also stated that talks with other community councils are ongoing, and he hoped to bring further good news for very soon.

CHIEF EXECUTIVE

The Chief Executive informed Members that the Council has a growing social media presence and it is actively working to develop this as an important way of interacting with local residents. The Council's Twitter page was launched in 2012 and has more than 6,000 followers, while the Facebook page went live in 2014 and currently has more than 3,500 'likes'. He stated that social media is becoming increasingly important as a means of enabling two-way communication between the Council and its stakeholders, and last year it tested the water with a live Twitter debate in which he made himself available to answer questions directly.

The Chief Executive informed Council that the exercise had just been repeated for 2015 and he was happy to report some significant developments. Firstly, the total number of views for the debate rose from just over 23,000 to more than 38,000, which was an overall increase of 63 per cent on last year. The number of people directly contacting by this means rose from 28 to 119, and the number of people that the Council was able to refer directly to information that they were seeking went up from 38 to 153.

He stated that the first Facebook debate also went very well and allowed more detailed responses to be provided. This attracted 10,211 views and 152 comments. He stated that this was not easy as people were not afraid of giving officers a hard time and stating exactly what they thought. However individuals were reached who may not otherwise interact with the Council and were able to encourage a large number of them to take part in the budget consultation.

The Chief Executive stated that a number of additional themes emerged during both of the debates such as regeneration, road safety outside schools, public toilet provision and suggestions for how the Council can save money in future. Overall, the debates attracted high levels of engagement, and there seemed to be positive sentiment among everyone who took part and an appetite for more engagement of this sort.

He stated that inroads were continuing to be made into social media and the Council's new YouTube channel would be promoted soon and he would bring further updates as this develops.

543. TO RECEIVE THE REPORT OF THE LEADER

The Leader announced that last weekend saw a particularly nasty accident occur in John Street, Porthcawl which he was sure Members were as much appalled at the incident as they were relieved that there were no fatalities. He stated that the response from the police, ambulance service and local businesses was absolutely first rate, and they all deserve a note of thanks for their prompt actions. The Council has made sure that appropriate support is in place while the police investigate the circumstances of the crash and he understood that they have already charged a 24 year old local man with offences ranging from theft and causing serious injury by dangerous driving to drink driving and driving without insurance. Meanwhile, thirteen people injured in the incident are continuing to receive treatment for lower-body injuries, and he wished them all a full recovery.

The Leader also announced that he had recently attended the opening of the Ty Richard Thomas facility, which is the official name given to the all-new joint vehicle maintenance building where council and police vehicles are being looked after as part of a unique new collaboration. He stated the facility is the first of its kind in Wales and is named after a police sergeant who was killed during World War One while fighting for the 16th Battalion Welsh Regiment. First Minister Carwyn Jones and Police and Crime Commissioner Alun Michael were in attendance and heard how the facility will handle up to 595 vehicles, including specialist plant and heavy duty equipment, while providing an excellent opportunity for the council and the police to save money, offer better value for taxpayers

and establish improved levels of fleet maintenance and customer service. It also demonstrates the Council's ongoing commitment towards meeting the Welsh Government's agenda for shared services. He stated the Council already has an excellent working relationship with South Wales Police, and he looked forward to seeing it improve even further as a result of this ambitious new initiative.

The Leader hoped that all Members are encouraging their constituents to take part in the Council's consultation over the new priorities and budget proposals. He stated there is still plenty of time as the consultation does not end until 22 November. Around 140,000 people live in the County Borough, and he wanted to ensure that everyone has the chance to have their say. Residents can make their voices heard and help shape Bridgend's future by visiting www.bridgend.gov.uk/future to complete an online survey and find out more about community consultation events. Everyone who completes the online survey will receive a free seven-day pass to a Halo leisure centre plus a chance to win a full year's free membership. Alternatively, they can call the Council on 01656 643664 to request a paper copy, or pick one up from their local library.

544. TO RECEIVE THE FOLLOWING QUESTION FOR THE LEADER/MEMBERS OF THE EXECUTIVE

QUESTION FROM COUNCILLOR E P FOLEY TO CABINET MEMBER REGENERATION AND ECONOMIC DEVELOPMENT

"At a time of drastic financial retrenchment, would the Cabinet Member for Economic Development consider the feasibility of developing BCBC as a not-for-profit energy supplier, working with solar panel engineering companies, for example, to produce green energy at a vast range of possible sites, including school buildings, surplus land, car parks and other council-owned premises.

Would the Cabinet Member also consider researching the success of Nottingham City Council in this regard, which has launched Robin Hood Energy, to save customers circa £200 each per year on gas and electricity bills, the first not-for-profit company of its kind since nationalisation in 1948. Similar energy initiatives include Cheshire East Council which has recently launched Fairer Power, in partnership with OVO Energy; and Edinburgh, Glasgow and Manchester City councils, whose plans for civic energy generation are well advanced, and which would be happy to advise BCBC on matters of detail."

RESPONSE BY CABINET MEMBER REGENERATION AND ECONOMIC DEVELOPMENT TO COUNCILLOR E P FOLEY

Historical Context

Prior to the Second World War it was common practice for local corporations to deliver water, gas and electricity supplies to local residents through boards. These local boards created the energy infrastructure that was regionalised and eventually nationalised after 1945 that ultimately created the centralised energy distribution model that was privatised in the 1980s. Over the last decade several local authorities across the UK have begun to look at local generation and distribution and for widely different reasons e.g. social (address fuel poverty) or financial (generating new revenue streams).

Options for Local Authorities wishing to become energy providers

Across the UK many local authorities (Nottingham, Aberdeen and Southampton) are establishing energy service companies (ESCO), with a view to providing affordable energy solutions for residents and businesses as well as generating revenues which are to the benefit of local communities.

An ESCO is a commercial structure created to deliver a de-centralised energy service. The structure of the ESCO can take several different forms with some of the most widely used being:

1. ESCO created as an arm's length special purpose vehicle wholly owned or majority owned by the Council. The governance structure of this model would include individuals from the public, private and community sectors as well as elected members with the required skills and knowledge. Aberdeen Heat and Power Company Ltd is an example of this. An ESCO of this type does not have to preclude private sector involvement and commercial terms can still be offered to a private sector partner/s that may de-risk the project from a local authority perspective that does not have experience in this sector. The important element of this model is that the local authority retains majority influence over the ESCO.
2. ESCO created as an arm's length special purpose vehicle with the Council having less than 20% interest in it. The majority shareholding would sit with the private sector with the local authority still having an influence over the operation of the company but not to the extent of the previous example. The Southampton District Energy Scheme is an example of this with Southampton Council working in partnership with Corfely.
3. ESCO created as a wholly owned and operated private sector venture, which as a legal agreement with the Council regarding its purpose and objectives. An example of this is the Coventry "Heat-line" project which Coventry City Council awarded a 25 year contract to Corfely to build and operate its heat network scheme.

What is Bridgend CBC Doing?

Smart System and Heat Programme

BCBC has been involved with the Energy Technologies Institute (ETI) and their Smart System and Heat (SSH) Programme since early 2013. The ETI are a public/private partnership that aims to develop innovative solutions to energy related problems, the SSH Programme is one element of ETI's work. The programme aims to work with local authorities across the UK to develop innovative smart solutions to generating and distributing heat at the local level. The programme required interested local authorities to complete a Pre-qualifying Questionnaire (June 2013) which ETI used to form the basis of its decision to draw up a shortlist of local authorities to move into the next phase of the project. Over 70 authorities from across the UK expressed an interest in the scheme with 11 being shortlisted for the next stage of the project.

ETI then engaged with the 11 prioritised authorities through a series of meetings and workshops to assess capacity, senior commitment, partner support, access to funding etc. and in June 2014 BCBC submitted a formal bid to be included in Phase 2 of the SSH Programme (Request for Proposal (RfP)) and in July 2014 senior representatives of BCBC attended an interview in Birmingham. The RfP and the interview were used by ETI to decide which 3 local authorities from the 11 would be selected as the demonstrator authorities for the SSH Programme. BCBC in partnership with Welsh Government was successfully selected as one of the 3 authorities along with Newcastle City Council and Greater Manchester Combined Authority.

The SSH Programme is divided into three phases, summarised as:

Phase 1 (2015 – 2016)

Phase 1 is essentially about creating the foundations for the subsequent phases of the programme. This means:

Using EnergyPath Networks: EnergyPath Networks is the software model that will generate the Low Carbon Transition Plan for Bridgend County Borough. The plan will generate outputs on an area based approach and will

- Identify what the solution for an area looks like (energy demand assumptions and projections, heat solutions for different areas, retrofit solutions, heat networks etc.);
- Identify what the solution costs in terms of construction, operation and maintenance (employment of technology, network construction, retrofit costs and pricing to customer);
- Identify when the solution is to be implemented (based upon energy demand profiles, technology solutions etc.).

Using EnergyPath Economics: EnergyPath Economics is the software model that will generate the community benefits associated with the SSH programme. It will identify how many jobs will be created, what training opportunities will be created through the programme within Bridgend.

Creation of a Low Carbon Transition Plan: The Low Carbon Transition Plan will be an area based, strategic document which will detail and give options regarding how Bridgend County Borough can make the transition away from the current centralised energy distribution model to a future decentralised model.

Phase 2 Development (2016- 2018)

The Phase 2 Development stage of the SSH Programme will build capacity locally to ensure that when the Phase 2 Delivery stage begins in 2018 the programme can develop smoothly with every element in place. The development phase will need to address:

Supply Chain Development: A supply chain will need to be created to deliver the demonstration phase of the project. The supply chain will ensure the community benefits identified through the EnergyPath Economics tool are delivered as well as maximising the economic benefits to Bridgend County Borough and Wales through job creation and training opportunities.

Funding Bid Preparation: Bids to the various funding sources needed to provide finance for Phase 2 will need to be prepared and submitted, with the finance packages in place to deliver the demonstration phase of the programme.

Community Engagement: Residents and the commercial sector will need to be engaged with and signed up to the SSH programme in order to deliver Phase 2 in 2018. This is arguably the key element of the whole of the transition phase.

Creation of a Not-for-Profit Business Model: The operation of the heat network will require the creation of a delivery vehicle. The delivery vehicle will operate, maintain and grow the heat network beyond the life of the SSH Programme and will necessitate creating an ESCO.

Develop Technical Specifications for Chosen Demonstration Projects: The demonstration projects will require detailed technical and financial specifications to be developed for both schemes which meet the needs of all participants in the scheme.

Procure Strategic Private Sector Partners

Phase 2 Delivery Projects (2018 onwards)

The schemes chosen as demonstration projects for the programme will be ratified by the EnergyPath evaluation process but at this stage two schemes have been proposed. These are:

Bridgend Town

Aim: Evaluate the value proposition required to realise a mixed commercial and domestic (2000 households) heat network into predominantly private housing, using a not-for-profit delivery vehicle. Deploy advanced home energy management systems, fabric retrofit where required and assess household feedback to the new heating solution. The project would also work with the investment sector to determine their requirements for similar schemes elsewhere in the UK.

Upper Llynfi Valley

Aim: Assess the potential to use heat from local resources to improve energy security, reduce fuel poverty and address health inequalities. Develop a DHN based on local mine water resource to install a heat network into 300 properties, predominantly private tenure, with fabric retrofit required due to many of the properties being of solid wall construction. The project would test the large scale viability of geo-thermal heat sources and development of a credible financial investment model for export to the rest of the UK. The project will also gain an understanding on the implications on policy to use local resources to provide energy. Home energy management systems and demand management systems will be incorporated to assess household feedback/benefit.

Governance Structure for the SSH Programme

The SSH Programme is of strategic importance to both the UK and Welsh Governments and a National Programme Delivery Board has been created to drive the project forward. The national board members are:

1. UK Government (Department for Energy and Climate Change, Department for Local Government and Communities and Department for Business and Innovation);
2. Welsh Government
3. Innovate UK
4. Energy Systems Catapult
5. Energy Technologies Institute
6. Hitachi
7. EDF
8. Bridgend County Borough Council
9. Greater Manchester Combined Authority
10. Newcastle City Council

The national board has been mirrored locally with the creation of a local steering board which is led by BCBC and attended by:

1. Welsh Government
2. Cardiff University
3. Swansea University
4. Western Power Distribution
5. Wales and West Utilities
6. Valleys to Coast
7. Wales and West Housing Association

Benefits of the SSH Programme and Alignment to BCBC Corporate Objectives

- Job creation and new business opportunities locally within the demonstration areas but also huge potential with national roll-out.
- Skills and training development leading to a more highly skilled local work force that are advantageously placed to take advantage of new business opportunities across the region.
- The development of a new business model for energy generation and supply which creates new revenue streams for improving local services.
- Greater availability of affordable energy which will address fuel poverty and improve life expectancy.
- Development of a decentralised energy system utilising new energy sources and providing a greater degree of energy security for Bridgend communities.
- The creation of a decarbonised energy supply leading to a reduction in carbon emissions.
- Improved community cohesion through engagement and empowerment of residents and businesses.

The SSH Programme offers BCBC a unique opportunity to develop Bridgend as a centre of energy excellence in the UK through access to a network of expertise and know how that would be impossible to fund if BCBC were attempting to progress this agenda alone and access to funding sources that again would not necessarily be as available if BCBC were not part of the SSH Programme. The investment and benefits emanating from the programme offer BCBC the opportunity to develop the County Borough as a centre of the transition to a low carbon economy.

Funding

Finance for the SSH Programme will come from a variety of sources (Europe, Government and the private sector) and a variety of forms (grants and loans). The main types are summarised below:

1. **UK Government:** BCBC has been working with DECC, ETI and the Energy Systems Catapult to prepare Cost Books for each of the proposed schemes which were fed into the Comprehensive Spending Review being carried out by the UK

Government. The aim is that up to a third of the funding required for the project will come from central government grant.

2. **European Funding:** BCBC has held several constructive discussions with WEFO and an Operation Logic Table has been submitted to WEFO to draw Structural Funds into the project. Trans-national sources of funding are also being looked at.
3. **Welsh Government:** The intention is that BCBC would access WG funding for the project from their established programmes such as Arbed, Smart Living and the Green Growth Wales scheme.
4. **Community Shares and Crowd Funding:** All three local authorities are being encouraged to look at this source of non-traditional finance as a means of raising capital but also gaining community buy-in for the schemes.
5. **Horizon 2020:** European funding that is open to innovation projects.
6. **Private Sector:** Private sector investment is expected to contribute up to a third of the total costs needed for the project.

Councillor Foley thanked the Cabinet Member and officers for their detailed reply. Councillor Foley requested an assurance that investment in a de-centralised energy service would not be at the expense of producing green energy. The Cabinet Member Regeneration and Economic Development informed Council that this was very much part of the transformation agenda with the Council being selected alongside large cities such as Newcastle and Manchester to progress with the Smart System and Heat Programme. He also informed Council that he would place in the Members Lounge a document produced by APSE which provided details of Councils engaged in the district heating and energy market, hydroelectric schemes and retailing electricity with providers. He welcomed the scrutiny process being able to monitor the Council's progress being made with the Smart System and Heat Programme.

545. NOTICE OF MOTION (PROPOSED BY COUNCILLORS C REEVES AND J C SPANSWICK)

Council received the following Motion:

Council notes:

The Notice of Motion and the following information provided by the Members in support of their notice of motion in accordance with Part 4 Rules of Procedure of the Council's Constitution:

- The Trade Union Bill 2015 is intended to give effect to the commitments in the Conservative Party's manifesto for the 2015 General Election. During the Queen's Speech in May 2015 it was announced that the Government would introduce legislation to reform trade unions and to protect essential public services against strikes;
- One element of the Bill is the decision to give excessive new powers to the Certification Officer (CO), the government regulator for trade unions and employers' association;

- The Bill is expected to provide the CO the ability to investigate a trade union without reason. The CO is also expected to receive powers to obtain detailed administrative information on industrial disputes and political expenditure;
- The Bill is also expected to tighten rules on strike action by creating minimum turnout thresholds for strike ballots to lead to industrial action. In public services, at least 40 per cent of eligible union members would need to back a strike. This has been attacked by opponents of the Bill as effectively counting some abstentions as no votes;
- Diane Abbott, shadow International Development Secretary, has commented that “the Bill was an attack on the rights of working people across the UK”;
- The Members ask that this Council oppose the introduction of the Trade Union Bill 2015.

Council believes that:

- There are real concerns about the Trade Union Bill which is currently being proposed by the UK Government and which would affect this Council’s relationship with our trade unions and our workforce as a whole.

Council resolves to:

- Oppose the introduction of the Trade Union Bill 2015;
- Write to urge the Conservative Government to abandon this Bill and make a commitment to work in partnership with the Trade Union movement to achieve a fairer society.

Councillor Reeves in proposing the Motion stated that the Trade Union Movement is the largest voluntary group in the UK. The Bill requires any ballot on strike action to have a turnout of at least 50% and then a 50% majority in favour for it to be valid, for what are designated ‘important public services’ the rules would be even more draconian, 80% of those entitled to vote would have to vote for industrial action, however the request from unions for online voting has been rejected. Councillor Reeves stated that this was from a Government that was elected by a simple majority for each seat. She believed that the Bill is an attack on civil liberties, attacking the democratic right to protest, with Picketing supervisors and plans including social media having to be declared in advance. Employer would have to be informed 2 weeks in advance of any action to be taken, such as strike action, or even if a union intended to post anything on Facebook, or carry a loudhailer or banner. The proposed Trade Union Bill has been compared to ‘like something from a Franco-style dictatorship’ by a Tory MP. The bill also includes the withdrawal of checkoff, the payment of union subs from salary. She stated that the PCS union having to devote resources having to be used on Direct Debit campaigns instead of proper union work, protecting and promoting the rights of workers.

She stated that political funds were also under attack, with an opt-in rather than opt-out as is currently in place, which will attack the funding of political campaigns and political parties. Added to this is the threat of substantial fines of up to £20,000 at every stage.

The withdrawal of labour, the right to strike, is a basic human right, which any union considers to be a last resort, this bill is an attack on this basic right, it will pitch worker against worker by allowing agency workers to be brought in as strike-breakers. It attacks the rights of ordinary workers across the country and puts the interests of big business ahead of the employee. This is at a time when strike action is at an all-time low.

Councillor Reeves urged Council support the motion.

In seconding the Motion, Councillor Spanswick stated that looking back over the past 5 years it had becoming increasingly worrying to see how pay and in-work benefits have been attacked by those in power, with people's attitudes being influenced by the press and thus making people less tolerant of one another. In the last parliament the Liberal Democrats supported the Conservatives' introduction of the bedroom tax, the abandoning of the Independent Living Fund for disabled people, the introduction of the £1,200 tribunal charges and an increase to two years before workers get employment protection. He stated that these are a few examples of people being worse off now than before the coalition government came to power in 2010.

Councillor Spanswick informed Council that the proposals the subject of the Motion were all-out attack on trade unions and workers' rights with the proposed Trade Union Bill. The Bill aims to stop trade unions from acting collectively and influencing political decision making. It will make it almost impossible to strike by placing unreasonable thresholds on ballots, which do not apply to the election of M.P.'s

He stated that the Bill proposed to cut facility time for workplace reps in the public sector and to remove 'check off' facilities whereby the union membership fee is deducted directly from an employees pay. There is a penalty or fine of £42,000 for having more than seven pickets or for not wearing an official armband on a picket line. This all amounted to an attack upon the only organisation able to protect workers in the workplace, and to stop them from funding the Labour Party. He stated that this was a blatant attempt to take away all opposition to the removal of rights of hard won trade unionists of the past century.

Councillor Spanswick stated that if implemented this new law would take away any incentive for the employer to reach agreements with their workforce or the unions that represent them, and gives employers powers such as the right to hire agency workers to replace workers who are on strike and was totally unacceptable in the 21st century.

Councillor Spanswick stated that it was now time for trade unionists and the British public to open their eyes and to fight back on proposals which are an attack on living in a tolerant society. He requested that Council urge the Government to abandon this Bill and make a commitment to work in partnership with the Trade Union movement to achieve a fairer society.

Councillor R L Thomas informed Council that he was pleased to support the Motion and stated that the Bill placed great emphasis on unions securing large percentage turnouts to call strikes and the rejection by the Government of online voting for industrial action. He stated that the proposals represent an attack on workplace protestations which could lead to links being lost to workers and human rights. He wholeheartedly supported the Notice of Motion.

Councillor Watts in proposing an amendment stated that the Bill was about protecting essential public services against strikes and also about preventing the minority holding the majority of employees to ransom in calling industrial action thereby disrupting public services. He also stated that there are greater numbers of working people are not union members. He questioned how this Council's relationship with union would be affected.

Councillor Watts proposed an amendment that the first bullet point in the proposed resolution be deleted "Oppose the introduction of the Trade Union Bill 2015" and that this Council resolves to "Write to the Conservative Government to make a commitment to work in partnership with the Trade Union movement to achieve a fair society".

Councillor Clarke seconded the amendment.

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A recorded Vote was taken at this point in the meeting, as a request had been made, which was duly seconded, to receive recorded votes on the Notice of Motion and the amendment to the Notice of Motion.

The recorded vote was as follows:

<u>FOR</u>	<u>Against</u>	<u>Abstain</u>	<u>Did Not Vote</u>
<u>Councillor</u>	<u>Councillor</u>	<u>Councillor</u>	<u>Councillor</u>
R Young			
CJ James			
M Thomas			
DK Edwards			
AD Owen			
R Williams			
JR McCarthy			
DBF White			
N Farr			
RM James			
DG Owen			
DR Pugh			
DRW Lewis			
JE Lewis			
P James			
EM Hughes			
G Phillips			
GW Davies MBE			
HE Morgan			
PA Davies			
EP Foley			
E Dodd			
S Aspey			
G Davies			
M Jones			
C Westwood			

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M Reeves

R Thomas

C Reeves

JC Spanswick

LC Morgan

N Clarke

KJ Watts

PJ White

HJ Townsend

HJ David

MEJ Nott OBE

M Gregory

CE Smith

HM Williams

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A vote was taken on the amendment to the Notion of Motion proposed by Councillor KJ Watts and seconded by Councillor N Clarke.

The vote was as follows:

FOR

Against

Abstain

Did Not Vote

Councillor

Councillor

Councillor

Councillor

G Davies

R Young

DG Owen

N Clarke

M Thomas

S Aspey

KJ Watts

DK Edwards

R Williams

JR McCarthy

DR Pugh

DRW Lewis

JE Lewis

EM Hughes

G Phillips

GW Davies MBE

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HE Morgan
PA Davies
EP Foley
E Dodd
M Jones
C Westwood
M Reeves
RL Thomas
C Reeves
JC Spanswick
LC Morgan
PJ White
HJ Townsend
HJ David
MEJ Nott OBE
M Gregory
CE Smith
HM Williams

3 **29** **2** **0**

As a result of the vote the amendment to the Notice of Motion failed.

Councillor C Reeves was given the right of reply as the proposer of the Notice of Motion stating that employees taking industrial action is the ultimate sanction and that the culture of Trade Unions had changed a great deal from the past.

A vote was taken on the Notice of Motion proposed by Councillor C Reeves and seconded by Councillor JC Spanswick.

The vote was as follows:

<u>FOR</u>	<u>Against</u>	<u>Abstain</u>	<u>Did Not Vote</u>
<u>Councillor</u>	<u>Councillor</u>	<u>Councillor</u>	<u>Councillor</u>
R Young	G Davies	DG Owen	N Clarke
M Thomas	KJ Watts	S Aspey	
DK Edwards			
R Williams			
JR McCarthy			

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DR Pugh
DRW Lewis
EM Hughes
G Phillips
GW Davies MBE
HE Morgan
PA Davies
EP Foley
E Dodd
M Jones
C Westwood
M Reeves
RL Thomas
C Reeves
JC Spanswick
LC Morgan
PJ White
HJ Townsend
HJ David
MEJ Nott OBE
M Gregory
CE Smith
HM Williams

29 **2** **2** **1**

As a result of the vote the Notice of Motion was carried.

RESOLVED: That Council:

- Oppose the introduction of the Trade Union Bill 2015;
- Write to urge the Conservative Government to abandon this Bill and make a commitment to work in partnership with the Trade Union movement to achieve a fairer society.

546. URGENT ITEMS

There were no urgent items.

The meeting closed at 5.10 pm

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

25 NOVEMBER 2015

REPORT OF THE SECTION 151 OFFICER

HALF-YEAR TREASURY MANAGEMENT REPORT 2015-16

1. Purpose of Report

1.1 The purpose of the report is to:-

- Comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2011 Edition (the Code) to report as part of a mid-year review an overview of treasury activities;
- Report on the projected Treasury Management and Prudential Indicators for 2015-16;
- Inform Council of the proposed changes to the Investment Strategy 2015-16 included in the Treasury Management Strategy.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities

2.1 The Treasury Management Report is integral to the delivery of the Corporate Improvement Objectives as the allocation of resources determines the extent to which the Corporate Objectives can be delivered.

3. Background

3.1 The Council's Treasury Management activities are regulated by the Local Government Act 2003 which provides the powers to borrow and invest as well as providing controls and limits on this activity. The Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 as amended, develops the controls and powers within the Act.

3.2 The Council is required to operate the overall treasury function with regard to the Code and this was formally adopted by the Council in February 2012. This includes a requirement for the Council to approve a Treasury Management Strategy (TMS) before the start of each financial year which sets out the Council's and Chief Financial Officer's responsibilities, delegation, and reporting arrangements. Council approved the TMS 2015-16 on 25 February 2015.

- 3.3 The Welsh Government (WG) issued revised Guidance on Local Authority Investments in April 2010, which requires the Council to approve an Investment Strategy prior to the start of each financial year and this is included in the TMS.
- 3.4 The Council is also required to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council's adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.
- 3.5 This report covers the following areas:
- The Council's treasury position for the period 1 April to 30 September 2015
 - Borrowing Strategy 2015-16
 - Borrowing Outturn for the period 1 April to 30 September 2015
 - Investment Strategy 2015-16
 - Investment Outturn for the period 1 April to 30 September 2015
 - Review of the Treasury Management Strategy 2015-16
 - Treasury Management and Prudential Indicators 2015-16

4. Current Situation

4.1.1 The treasury position for 1 April to 30 September 2015:

		Principal as at 01-04-15	Average Rate	Principal as at 30-9--15	Average Rate
		£m	%	£m	%
Fixed rate long term funding	PWLB*	77.62	4.70	77.62	4.70
Variable rate long term funding	PWLB*	-	-	-	-
	LOBO**	19.25	4.65	19.25	4.65
Total Long Term External Borrowing***		96.87	4.69	96.87	4.69
Other Long Term Liabilities*** (including PFI)		21.58		23.62	
TOTAL GROSS DEBT		118.45		120.49	
Fixed rate investments		18.00	0.51	35.60	0.42
Variable rate investments		1.50	0.50	6.20	0.63
TOTAL INVESTMENTS****		19.50	0.51	41.80	0.45
TOTAL NET DEBT		98.95		78.69	

* Public Works Loan Board (PWLB)

** Lender's Option Borrower's Option (LOBO)

*** Long term borrowing include all instruments with an initial term of 365 days or more and long term liabilities includes the short term element of the liability

**** The investment totals include instant access deposit accounts which are included as "Cash" in the Council's balance sheet in the Statement of Accounts and also investments shown as "Cash Equivalents" in the Council's balance sheet that mature in 1 month or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value

Fixed rate in the above table includes instruments which are due to mature in the year

4.1.2 The £19.25 million is due to mature in 2054, and relates to Lender's Option Borrower's Option (LOBO) loans which may be re-scheduled in advance of this maturity date. The LOBO rate and term may vary in the future depending upon the prevailing market rates, the lender exercising their option to increase rates at one of the bi-annual trigger points (the next trigger date being January 2016 however it is not expected to be repaid on this date) and therefore, the

Council being given the option to accept the increase or to repay the loan without incurring a penalty. The current average interest rate for these LOBO's is 4.65% compared to the PWLB Loans average interest rate of 4.70%.

4.1.3 The long term liabilities figure of £23.62 million at 30 September 2015 includes £19.04 million for the Council's Private Finance Initiative (PFI) arrangement (for the provision of a Secondary School in Maesteg) and a new Long Term Liability of £2.40 million relating to a loan from the WG Central Capital Retained Fund for regeneration works within the Llynfi Valley.

4.1.4 It should be noted that the accounting practice required to be followed by the Council requires financial instruments in the accounts (debt and investments) to be measured in a method compliant with International Financial Reporting Standards (IFRS). The figures shown in the above table and throughout the report are based on the actual amounts borrowed and invested and so may differ from those in the Statement of Accounts which include accrued interest or are stated at fair value in different instances.

4.1.5 The Council's Treasury Management Advisers are currently Arlingclose and the services provided to the Council include:-

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

4.2 Borrowing Strategy and Outturn for 1 April to 30 September 2015

4.2.1 The Bank Rate started the financial year at 0.50% and remained at that level from 1 April to 30 September 2015. It is currently expected that it will remain at that level for the remainder of the 2015-16 financial year.

4.2.2 The Council's primary objective for the management of its debt is to ensure its long term affordability. The majority of its loans have therefore been borrowed from the PWLB at long term fixed rates of interest.

4.2.3 With short-term interest rates currently much lower than long term rates, it is likely to be more cost effective in the short term to either borrow short term loans or use internal resources. Short term and variable rate loans expose the Council to the risk of short term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates as shown in the

treasury management indicators in **Appendix A**. However, with long term rates forecast to rise in the coming years, any such short term savings will need to be balanced against the potential longer-term costs. The Council's Treasury Management advisers assist the Council with this 'cost of carry' and breakeven analysis.

- 4.2.4 No long or short term borrowing has been taken during the period 1 April to 30 September 2015 and it is not expected that there will be a requirement for any long term borrowing in the second half of 2015-16, however for cash-flow purposes short term borrowing may be required. Market conditions have meant that there has been no loan rescheduling so far this year, however, in conjunction with Arlingclose, the loan portfolio will be reviewed for any potential savings as a result of any loan rescheduling.

4.3 Investment Strategy 2015-16 (Extract from TMS 2015-16)

- 4.3.1 Both the CIPFA Code and the WG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, balancing the risk of incurring losses from defaults against receiving unsuitably low investment income.

The major objectives to be followed in 2015-16 are:-

- To maintain capital security;
- To maintain liquidity so funds are available when expenditure is needed;
- To achieve the yield on investments commensurate with the proper levels of security and liquidity.

- 4.3.2 The Annual Investment Strategy incorporated in the Council's Treasury Management Strategy 2015-16 includes the credit ratings defined for each category of investments and the liquidity of investments. The Council's investments have historically been placed in short term bank and building society unsecured deposits and local and central government, however, investments may be made with any public or private sector organisations that meet the minimum credit criteria specified in the Investment Strategy.

- 4.3.3 Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. In the current climate, relying mainly on credit ratings is considered to be inappropriate and the Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No

investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

- 4.3.4 A half year review of the Annual Investment Strategy will be undertaken and any changes will be reported to Council.

4.4 Investment Outturn for 1 April to 30 September 2015

- 4.4.1 On a day to day basis, the Council typically has surplus cash balances arising from the cash flow e.g. timing differences between grants being received and making various payments. These are invested on the market via brokers, direct with the institution or held in deposit accounts. The Council usually invests for a range of periods dependent on cash flow requirements and the interest rates on offer having regard to the Investment Strategy. All investments in the first half of 2015-16 were short term i.e. less than 12 months duration and placed in fixed term deposits or deposit accounts. The table below details these investments by counterparty type:

Investment Counterparty Category	Balance 01 April 2015 (A) £m	Investments Raised (B) £m	Investments Repaid (C) £m	Balance 30 Sept 2015 (A+B-C) £m	Weighted Average Investment Balance Apr - Sept 2015 £m	Weighted Average Duration Investments in force during Apr - Sept 2015 Days	Weighted Average Rate Apr - Sept 2015 %
UK Govt DMO	-	76.40	76.40	0.00	2.49	6	0.25
UK Local Authorities	9.00	108.53	86.93	30.60	26.22	42	0.38
Building Societies	5.00	7.00	9.00	3.00	4.77	73	0.55
Banks (Fixed Maturity)	4.00	4.00	6.00	2.00	2.71	62	0.53
Banks Instant Access/Notice Period Accounts *	1.50	28.95	24.25	6.20	6.38	n/a	0.53
Total/Average	19.50	224.88	202.58	41.80	42.57	38	0.42

* An average duration is not shown as money is frequently added / withdrawn to/from these accounts as required by cash-flow

- 4.4.2 Occasionally, investments are placed with the UK Debt Management Office (DMO - Executive Agency of UK Government) but only for very short term deposits. The interest rates offered by this facility are lower than some other counterparties but this is commensurate with the high level of security and reduced risk offered. It provides another option when examining potential investments and ensures compliance with the Council's investment objective

that security takes priority over yield. There were no deposits with the DMO as at 30 September 2015.

4.4.3 Favourable cash flows have provided positive cash balances for investment and as shown above the balance on investments at 30 September 2015 was £41.80 million. The table below shows a breakdown based on the maturity profile and counterparty type as at 30 September 2015.

Counterparty Category	Instant Access Deposit Accounts £m	Notice Period Deposit Accounts £m	Deposits Maturing Within 1 Month £m	Deposits Maturing Within 1-3 Months £m	Deposits Maturing Within 4-6 Months £m	Deposits Maturing Within 6-12 Months £m	Total £m
UK Local Authorities	-	-	9.50	13.60	2.00	5.50	30.60
UK Building Societies	-	-	3.00	-	-	-	3.00
Banks*	2.20*	4.00	-	2.00	-	-	8.20
Total	2.20	4.00	12.50	15.60	2.00	5.50	41.80

* All these are UK registered banks apart from £1.2m with Svenska Handelsbanken which is a Swedish bank incorporated in the EEA and entitled to accept deposits through a branch in the UK and are classed as a UK Bank in the Government's Borrowing Statistical Return

4.4.4 The Council's primary objective for the management of its investment portfolio is to give priority to the security and liquidity of its funds before seeking the best rate of return. As shown above, the majority of its surplus cash has been held as short term investments with UK Local Authorities and banks and building societies of high credit quality. This has therefore resulted in more of the investment portfolio being moved into investment instruments with lower rates of return but higher security and liquidity.

4.5 Review of the Treasury Management Strategy 2015-16

4.5.1 Cipfa's Code of Practice for Treasury Management requires all Local Authorities to conduct a mid-year review of its treasury management policies, practices and activities. As a result of this review it was not deemed necessary to make any changes to the main parts of the Treasury Management Strategy 2015-16, however, it would be beneficial for the Council to make some minor revisions to the Investment Strategy included within this Statement to enable increased flexibility in an ever changing financial market and increase the investment opportunities available to the Council whilst still maintaining security.

4.5.2 Following consultation with Arlingclose the proposed main changes are summarised below:

- reduce the UK Local Authorities individual counterparty limit from £15 million to £12 million

- increase the unsecured investments with Building Societies group limit from £5million to £6million
- add additional wording to clarify the counterparty limits:
 - These cash limits are per counterparty and relate to principal only and exclude any accrued interest.

4.5.3 In addition to these there were some minor grammatical changes for clarification purposes only.

4.6 Treasury Management and Prudential Indicators 2015-16

4.6.1 The 2011 Treasury Management Code and Prudential Code require the Council to set and report on a number of Treasury Management Indicators within this report, however, the Council has decided to report on all indicators in this report so the Prudential Indicators are also included. The indicators either summarise the expected activity or introduce limits upon the activity, and reflect the underlying capital programme. **Appendix A** details the estimate for 2015-16 set out in the Council's Treasury Management Strategy and also the projected indicators for 2015-16.

5. Effect upon Policy Framework and Procedure Rules

5.1 As required by Financial Procedure Rule 17.3 within the Council's Constitution, all investments and borrowing transactions have been undertaken in accordance with the Treasury Management Strategy Statement 2015-16 approved by Council.

6. Equality Impact Assessment

6.1 There are no equality implications.

7. Financial Implications

7.1 The financial implications are reflected within the report.

8. Recommendation

8.1 It is recommended that:

- Council approve the changes to the Investment Strategy within the Treasury Management Strategy 2015-16 as highlighted in the report;
- Council note the treasury management activities for the first half of 2015-16;

- Council note the projected Treasury Management and Prudential Indicators for 2015-16.

Ness Young
Section 151 Officer
Corporate Director - Resources
31 October 2015

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Background documents:
Treasury Management Strategy 2015-16

APPENDIX A

1 TREASURY MANAGEMENT INDICATORS 2015-16

1.1.1 The following indicators (which are forward looking parameters) form part of the CIPFA Code of Practice on Treasury Management. They enable the Council to measure and manage its exposure to Treasury Management risks using the following indicators.

The Council needs to set the upper limits to its **Interest Rate Exposure** for the effects of changes in interest rates. There are two treasury management indicators that relate to both fixed interest rates and variable interest rates. These limits have been calculated with reference to the net outstanding principal sums and are set to control the Council's exposure to interest rate risk.

No.		Treasury Management Strategy 2015-16 £m	Projection 31-03-2016 £m
	Total Projected Principal Outstanding on Borrowing 31 March 2016	101.87	96.87
	Total Projected Principal Outstanding on Investments 31 March 2016	8.00	15.00
	Net Principal Outstanding	93.87	81.87
1.	Upper Limit on fixed interest rates (net principal) exposure	140.00	64.12
2.	Upper Limit on variable interest rates (net principal) exposure	50.00	17.75

The Section 151 Officer will manage interest rate exposures between these limits in 2015-16.

1.1.2 A further indicator for Treasury Management measures the **Maturity Structure of Borrowing** and is the amount of projected borrowing that is fixed rate, maturing in each period as a percentage of total projected fixed rate borrowing. This indicator is set to control the Council's exposure to refinancing risk and has been set to allow for the possible restructuring of long term debt where this is expected to lead to an overall saving or reduction in risk.

The 19.87% shown in the table below relates to £19.25 million Lender's Option Borrower's Option (LOBO) loans which may be re-scheduled in advance of their maturity date of 2054, as detailed in paragraph 4.1.2 of the report. The Code requires the maturity of LOBO loans to be shown as the earliest date on which the lender can require payment, i.e. the next call date, however, the lender is not expected to exercise this option due to current low

interest rates, so the maturity date is actually uncertain but is shown in the “Under 12 months” category as per the Code.

No	Maturity structure of fixed rate borrowing during 2015-16	Upper limit	lower limit	Projection 31-03-16
3.	Under 12 months	50%	0%	19.87%
	12 months and within 24 months	25%	0%	0.00%
	24 months and within 5 years	50%	0%	0.00%
	5 years and within 10 years	60%	0%	0.00%
	10 years and above	100%	40%	80.13%

1.1.3 The **Upper Limit for Total Principal Sums invested over 364 days** indicator controls the amount of longer term investments which mature beyond the period end. This is set to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments.

No.		Treasury Management Strategy 2015-16 (Limit) £m	Projection 31-03-16 £m
4.	Upper Limit for Total Principal Sums Invested for more than 364 days	15	4

2 PRUDENTIAL INDICATORS 2015-16

The Prudential Indicators are required to be set and approved by Council in accordance with CIPFA’s *Prudential Code for Capital Finance in Local Authorities*.

Council is required to formally adopt CIPFA’s Treasury Management Code and the revised version of the 2011 code was adopted by Council on 22 February 2012.

2.1 Prudential Indicators for Prudence

2.1.1 The following Prudential Indicators are based on the Council’s capital programme which is subject to change.

The Council’s capital expenditure plans are summarised below and this forms the first prudential indicator for Prudence. The total capital expenditure is funded from capital grants and contributions, capital receipts and revenue with the remainder being the **Net Financing Need for the Financial Year** to be met from borrowing.

No.	Prudential indicators For Prudence	Estimate Treasury Management Strategy 2015-16 £'000	Projection 31-03-16 £'000
1	Estimates of Capital Expenditure Non – HRA	36,441	38,523
	Total Capital Expenditure	36,441	38,523
	Financed by :-		
	Capital Grants and Contributions	12,575	17,364
	Capital Receipts	9,322	9,167
	Revenue	3,055	3,369
	Net Financing Need for Year	11,489	8,623

The capital expenditure figures have changed from the Treasury Management Strategy 2015-16 as the capital programme approved by Council on 25 February 2015 has been amended to include new approved schemes and to incorporate slippage of schemes identified as part of the capital monitoring and a change in the profile of prudential borrowing. This has resulted in a decrease in the Net Financing Need for 2015-16.

2.1.2 The second Prudential Indicator is the **Capital Financing Requirement (CFR)** for the Council. This shows the total outstanding capital expenditure that has not been funded from either revenue or other capital resources. It is derived from the actual Balance Sheet of the Council. It is essentially a measure of the underlying need to finance capital expenditure and forms the basis of the charge to the General Fund under the Prudential Code system.

The process for charging the financing of capital expenditure to revenue is a statutory requirement and is called the Minimum Revenue Provision (MRP). The actual MRP charge needs to be prudent and the methodology is detailed in the Council's MRP policy in the TMS 2015-16. The MRP requirement for the PFI Scheme, Innovation Centre and HALO will be equivalent to the write down of the liability for the year and is met from existing budgets.

No.	Prudential indicators For Prudence	Est. Treasury Management Strategy 2015-16 £'000	Projection 2015-16 £'000
2	Capital Financing Requirement (CFR)		
	Opening CFR (1 April 2015) excluding PFI	157,078	154,980
	Opening PFI CFR	19,300	19,300
	Opening Innovation Centre	769	769
	Opening HALO	1,150	962
	Total Opening CFR	178,297	176,011
	Movement in CFR excluding PFI & other liabilities	4,801	2,133
	Movement in PFI CFR	(512)	(512)
	Movement in Innovation Centre CFR	(51)	(51)
	Movement in HALO CFR	(117)	(117)
	Total Movement in CFR	4,121	1,453
	Closing CFR (31 March 2016)	182,418	177,464
	Movement in CFR represented by :-		
	Net Financing Need for Year (above)	11,489	8,623
Minimum and Voluntary Revenue Provisions*	(7,368)	(7,170)	
Total Movement	4,121	1,453	

Minimum Revenue Provision (MRP) and Voluntary Revenue Provision (VRP) represent the revenue charge for the repayment of debt and includes MRP for the Public Finance Initiative (PFI), Finance Leases, Innovation Centre and Halo

2.2 Limits to Borrowing Activity

2.2.1 The Council's long term borrowing at the 30 September 2015 was £96.87 million as detailed in section 4.1.1 the Treasury Position. External Borrowing can arise as a result of both capital and revenue expenditure and timing of cash flows. Because the Council has an integrated Treasury Management Strategy there is no association between individual loans and particular types of expenditure. Therefore, the Capital Financing Requirement and actual external borrowing can be very different.

The **Gross Debt** position (Borrowing and Long Term Liabilities) is shown below:

No.	Prudential indicators For Prudence	Estimate Treasury Management Strategy 2015-16 Est. £'000	Projection 31-03-16 £'000
	Gross Debt 31 March		
3	External Borrowing	101,867	96,867
	Long Term Liabilities (including PFI)	20,539	23,251
	Total Gross Debt	122,406	120,118

2.2.2 Within the Prudential Indicators, there are a number of key indicators to ensure the Council operates its activities within well-defined limits. One key control is to ensure that over the medium term, debt will only be for a capital purpose. The Council needs to ensure that external debt does not, except in the short term, exceed the Capital Financing Requirement for 2015-16. The table below shows that the Council is on target to comply with this requirement.

No.	Prudential indicators For Prudence	Estimate Treasury Management Strategy 2015-16 £'000	Projection 31-03-16 £'000
4	Gross Debt & the CFR		
	Total Gross Debt	122,406	120,118
	Closing CFR (31 March 2016)	182,418	177,464

2.2.3 A further two Prudential Indicators control the Council's overall level of debt to support Capital Expenditure. These are detailed below and confirms that the Council is well within the limit set :-

- The **Authorised Limit** for External Debt – this represents the limit beyond which borrowing is prohibited. It reflects a level of borrowing that could not be sustained even though it would be affordable in the short term. It needs to be set and approved by Members.
- The **Operational Boundary** for External Debt – this is not an actual limit and actual borrowing could vary around this boundary during the year. It is based on the probable external debt during the course of the year.

No.	Prudential indicators For Prudence	Treasury Management Strategy 2015-16 £m	Projection 31-03-16 £m
5	Authorised limit for external debt -		
	Borrowing	140	
	Other long term liabilities	30	
	Total	170	
6	Operational Boundary		
	Borrowing	105	
	Other long term liabilities	25	
	Total	130	
	Borrowing		97
	Other long term liabilities		23
	Total		120

2.3 Prudential Indicators for Affordability

2.3.1 The Prudential Code Indicators Numbered 1 to 6 above in section 2.1 and 2.2 cover the overall controls on borrowing and financing of capital expenditure within the Council. The second suite of indicators detailed below assesses the affordability of capital investment plans and the impact of capital decisions on the Council's overall finances.

The indicator the **Ratio of Financing Costs to Net Revenue Stream** demonstrates the trend in the cost of capital against the Total Revenue amount to be met from local taxpayers and the amount provided by the Assembly in the form of Revenue Support Grant. The estimates of capital financing costs include interest payable and receivable on Treasury Management activities and the Minimum Revenue Provision charged to the Comprehensive Income and Expenditure Statement. The revenue stream is the amount to be met from government grants and local taxpayers.

No.	Prudential Indicators for Affordability	Estimate Treasury Management Strategy 2015-16	Projection 2015-16
7.	Ratio of Financing Costs to Net Revenue Stream		
	Ratio	5.05%	5.33%

2.3.2 The indicator of the **Incremental Impact of Capital Investment Decisions on Council Tax** identifies the estimate of the incremental impact to the Council Tax from the capital expenditure proposals, particularly changes in borrowing requirements that have occurred since the Capital Programme was approved for the year. This is a purely notional calculation designed to show the effect of changes in capital investment decisions.

No.	Incremental Impact of Capital Investment Decisions on Council Tax	Estimate Treasury Management Strategy 2015-16	Projection 2015-16
8.	Increase in Band D Council Tax as per Capital Programme	£ 3.91	£ 3.87

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

25 NOVEMBER 2015

REPORT OF THE SECTION 151 OFFICER

2016-17 COUNCIL TAX BASE

1. Purpose of Report.

- 1.1 The purpose of this report is to provide Council with details of the council tax base and estimated collection rate for 2016-17.

2. Connection to Corporate Plan

- 2.1 The council tax base determines the amount of council tax which can be raised to fund the Council's budget. The budget strategy is an integral part of the Corporate Planning process.

3. Background.

- 3.1 Under the Local Government Finance Act 1992 (as amended), Council is required to set the tax base upon which council tax is levied by the authority and other precepting bodies. This information is required by the Welsh Government to allocate the Revenue Support Grant (RSG) to local authorities and by the Council to calculate the council tax required to fund the 2016-17 budget.

4. Current situation / proposal.

- 4.1 The estimated council tax base for 2016-17 is 53,247.37 and the estimated collection rate is 97.5%. The net council tax base is, therefore, 51,916.19.

- 4.2 The council tax element of the Council's budget requirement will be based on the net council tax base of 51,916.19. This base is also used by precepting authorities in calculating their precepts. Community councils base their precepts on the tax base for each community area and details of these are shown in Appendix A.

5. Effect upon Policy Framework & Procedure Rules.

- 5.1 The council tax base is set in accordance with the Policy Framework and Budget Procedure Rules.

6. Equality Impact Assessment

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

7. Financial Implications.

- 7.1 None arising from this report.

8. Recommendation.

- 8.1 Council is recommended:

- to approve the council tax base and collection rate for 2016-17 as shown in paragraph 4.1 of this report
- to approve the tax bases for the community areas set out in Appendix A. .

Ness Young
Section 151 Officer
3 November 2015

Contact Officers

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Background documents

None other than identified within the report.

Estimated County Borough Tax Base 2016-17

Community Council Area	Total Tax Base	Estimated Collection Percentage	Net Tax Base
Brackla	4257.78	97.5%	4,151.34
Bridgend	5841.29	97.5%	5,695.26
Cefn Cribbwr	541.05	97.5%	527.52
Coity Higher	2960.05	97.5%	2,886.05
Cornelly	2588.52	97.5%	2,523.81
Coychurch Higher	339.25	97.5%	330.77
Coychurch Lower	663.41	97.5%	646.82
Garw	2268.47	97.5%	2,211.76
Laleston	4950.84	97.5%	4,827.07
Llangynwyd Lower	173.45	97.5%	169.11
Llangynwyd Middle	1068.09	97.5%	1,041.39
Maesteg	5612.54	97.5%	5,472.23
Merthyr Mawr	152.27	97.5%	148.46
Newcastle Higher	1675.52	97.5%	1,633.63
Ogmore Vale	2576.61	97.5%	2,512.20
Pencoed	3455.19	97.5%	3,368.81
Porthcawl	8055.72	97.5%	7,854.33
Pyle	2531.50	97.5%	2,468.21
St Brides Minor	2240.28	97.5%	2,184.27
Ynysawdre	1295.54	97.5%	1,263.15
Total County Borough	53,247.37	97.5%	51,916.19

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

25 NOVEMBER 2015

REPORT OF THE ASSISTANT CHIEF EXECUTIVE LEGAL & REGULATORY SERVICES

WEBCASTING OF COUNCIL MEETINGS

1. Purpose of Report

- 1.1 The purpose of this report is to update Council regarding the progress that has been made in respect of the implementation of webcasting for meetings of Council and its Committees.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1.1 The development of a live webcasting facility will enable greater engagement with the public, meet the requirements of the "On Balance: Diversifying Democracy in Local Government in Wales" report. Webcasting will also meet some of the requirements of the Local Government (Wales) Measure 2011 and assist in the delivery of all Corporate Priorities.

3. Background

- 3.1 A webcast is a transmission of audio and video over the Internet, akin to a television programme, enabling the public to watch meetings from any location with internet access.
- 3.2 It has been identified that the following benefits can be achieved from the broadcasting of public meetings. These include:
- Transparent governance and accountability
 - Citizen engagement and understanding of the democratic process for example understanding of planning decisions
 - Enables the Local Government (Wales) Measure 2011 requirement for engaging public in Scrutiny
 - Incentive for high standards of member attendance, engagement and conduct at meetings
 - Effective means of communicating to officers and other members information and decisions. Archived meetings could also be a useful part of officer induction and training.
 - Opportunities for members to learn from peer observation and inform potential candidates about their role to encourage democratic renewal.
- 3.3 On 30 April 2014, Council approved the recording and broadcasting of meetings and approved initial proposals to take forward the webcasting of meetings

4. Current situation / proposal

- 4.1 In July 2014, Elected Members attended the Webcasting Member Development sessions provided by the WLGA. These sessions provided Elected Members and officers with background on the aims and intentions of webcasting and highlighted its potential benefits and pitfalls.
- 4.2 Council agreed that to reduce the cost of implementation and operation, the Council Chamber would be used for all webcasts. As a result, work was carried out to improve the displays and update some of the presentation systems within the Council Chamber. In November 2014 a pilot webcast took place as a proof of concept.
- 4.3 Information identified during the Member development sessions and the webcasting pilot was added to the requirements for the provision of a webcasting service for the Authority.
- 4.4 Quotes were invited to provide 150 hours of webcasts over a 3 year period. A number of quotes were received and assessed on a 60% quality and 40% cost basis.
- 4.5 The supplier was awarded the contract and the implementation plans have been put in place. These include the installation of the webcasting control system in October 2015 which will allow the Democratic Services Team to set up, record and manage webcasts. The hours available for webcasting can be used at the discretion of the Authority over the 3 year period. An initial plan was developed for the delivery of webcasting but due to the uncertainty regarding the implementation of the Welsh Language Standards the plan was put on hold until clarification had been received.
- 4.6 The requirements for the simultaneous translation of committee meetings is now expected to be implemented from 30 March 2016. Therefore, it is planned that a technical test of the webcasting service will be undertaken in December 2015 and following a successful webcast it is proposed that further webcasts of formal committee meetings will be undertaken from January 2016.
- 4.7 Therefore, an initial plan based on a formal Committee meeting lasting 3 hours is being proposed which will enable many of the public formal Committees to be webcast before 30 Mar 2016.

Date(s)	Committee	Planned Duration in Hours	Running Total Hours
05 Jan 2016	Children & Young People OSC (School Performance)	3	3
07 Jan 2016	Development Control	3	6
14 Jan 2016	Partnerships & Governance OSC (Budget)	3	9
27 Jan 2016	Community Environment & Leisure OSC	3	12
28 Jan 2016	Audit Committee	3	15
05 Feb 2016	Corporate Resources & Improvement OSC (Budget)	3	18
11 Feb 2016	Adult Social Care OSC	3	21
18 Feb 2016	Development Control	3	24
01 Mar 2016	Cabinet (Budget)	3	27
10 Mar 2016	Council (Budget)	3	30

- 4.8 The Development Control Committee is a regulatory Committee and currently has a

higher level of public interest than other committees which is why it is proposed that two meetings of this committee be webcast during this period.

- 4.9 The statistics from all webcast meetings will be monitored and recorded. Viewing figures for live and archived viewings will subsequently be reported and these figures will be used to identify the future level of webcast allocations to Committees.
- 4.10 Additional webcasting refresher training will be provided to members and officers. Training sessions have been provisionally arranged for 4 January 2016 and a repeat session will be held on 25 January 2016.
- 4.11 It is anticipated that progress will be made on the provision of dual language webcasts and a subsequent report will be presented to Council with proposals for webcasting following the implementation of the updated Welsh Language Standards.
- 4.12 Following approval of this proposal and the completion of a successful technical test appropriate promotion will be undertaken on the Authority's social media sites to highlight the forthcoming webcasts.

5. Effect upon Policy Framework & Procedure Rules

- 5.1 There will be no immediate effect on the Policy Framework and Procedure Rules but as a result of the development of the webcasting of meetings the procedure rules may need to be amended accordingly.

6. Equality Impact Assessment

- 6.1 There are no equalities implications in respect of this report. However as part of the ongoing development for the recording and publishing of meetings an assessment will be undertaken in respect of the Welsh Language and other equalities requirements needed to progress this matter.

7. Financial Implications

- 7.1 Funding for the provision of webcasting is being met from a Welsh Government grant. Some funding from existing budgets will be needed to provide the additional training as identified in Paragraph 4.10. Additional funding may be required to deliver dual language webcasting to meet the Welsh Language Standards and this will be considered as part of the overall Medium Term Financial Strategy.

8. Recommendations

- 8.1 That Council considers the content of this report and approves the implementation of webcasting to Bridgend County Borough Council

P A Jolley
Assistant Chief Executive – Legal & Regulatory Services
20 November 2015

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Background Documents: None

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

25 NOVEMBER 2015

REPORT OF THE ASSISTANT CHIEF EXECUTIVE LEGAL & REGULATORY SERVICES

OVERVIEW AND SCRUTINY ANNUAL REPORT 2014-15

1. Purpose of Report.

- 1.1 The purpose of the report is to present Council with a review of work undertaken by the Overview & Scrutiny function during the period September 2014 - September 2015.

2. Connection to Corporate Plan / Other Corporate Priorities.

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

3. Background.

3.1 The Scrutiny Function

- 3.1.1 The Overview and Scrutiny Committees oversee the decision making of the Cabinet Members and support the work of the Cabinet and the Council. They allow citizens to have a greater say in Council matters by holding public meetings into matters of local concern. These lead to reports and recommendations which advise the Cabinet and the Council as a whole on its policies, budget and service delivery.

- 3.1.2 Within their terms of reference, Overview and Scrutiny Committees will:

- (a) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions;
- (b) make reports and/or recommendations to the Council and/or the Cabinet and/or any joint committee in connection with the discharge of any functions;
- (c) consider any matter affecting the County Borough or its inhabitants; and
- (d) exercise the right to call-in, for reconsideration, decisions made by or on behalf of the Cabinet but not yet implemented.

- 3.1.3 Overview and Scrutiny Committees can 'call-in' a decision which has been made by the Cabinet or an Officer but not yet implemented. This enables them to consider whether the decision is appropriate. They may recommend that the Cabinet reconsider the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and the development of policy.

3.2 Corporate Structure

- 3.2.1 Since 2008, there have been a number of incremental changes to the corporate

structure. Some changes to the remits of the committees have been undertaken but these changes have only been to realign the scrutiny committees to the directorate responsibilities. With the significant challenges faced by the Authority to meet the requirements of the MTFs, savings have to be made across all departments and Directorates, with scrutiny being no exception.

3.3 Reconfiguring Scrutiny

3.3.1 Following a work programming exercise in 2014 it was identified that there was a significant volume of replication between the scrutiny committees. Members expressed their concerns that this is a duplication of effort and distracts the committees from undertaking effective scrutiny of the service areas.

3.3.2 To address this and other concerns a review of the activities of Scrutiny was undertaken. Proposals were developed in consultation with the Scrutiny Chairpersons which were subsequently collated into a report for presentation to Council in April 2015.

3.3.3 The Future Delivery of Effective Scrutiny report proposed a significant number of changes to address the concerns of Members, these included scrutiny of the following topics being co-ordinated by the Corporate Resources & Improvement (CRI) Overview and Scrutiny Committee (OVSC).

- a. Performance Monitoring
- b. Corporate Plan
- c. Business Planning
- d. Budget Monitoring

All Scrutiny Chairs and Corporate Directors will be invited to attend CRI OVSC meetings for these items in future to provide a single corporate focus for the consideration of these topics.

3.3.4 The Scrutiny Chairs considered a number of options of how the committee remits could be reconfigured to reflect changes to the corporate structure and to better balance the workload of scrutiny. They proposed that the following changes to the committees be made.

<u>Previous</u>	<u>Current</u>
Community Safety & Governance	Partnerships and Governance
Corporate Resources and Improvement	Corporate Resources and Improvement
Community Renewal & Environment	Community, Environment and Leisure
Health & Wellbeing	Adult Social Care
Children & Young People	Children & Young People

3.3.5 To maintain the specialised service area knowledge when considering these reports it was agreed that one member from each of the other scrutiny Committees be co-opted to the Committee when considering that item.

3.3.6 Appropriate Cabinet Members and Chief Officers were to be invited to attend these meetings to consider these items. This was identified as being beneficial by having cross cutting representation to provide a truly corporate view of the issues being considered.

3.4 Report Approval Process

3.4.1 Covering reports from the Scrutiny Officers to the Scrutiny Committees have now ceased. Scrutiny Officers have now begun to work with the service officers to prepare their reports in accordance with the committee requirements. This process will continue to be developed and it is hoped that reports presented to the Scrutiny committees will fully meet their requirements. The involvement of scrutiny officers to support the authors of the reports will also reduce the likelihood of additional requests for information being made by the committee, thereby substantially reducing the considerable amount of time spent by Scrutiny and other Officers within the directorates in following up requests for further information.

3.5 Assessing the impact of Scrutiny

3.5.1 Members will recognise that capturing and assessing the impact of Scrutiny is not an easy task as the outcomes of Scrutiny activity are not always tangible and able to be measured in a systematic way.

3.5.2 For example, whilst 'outputs' like the number of recommendations approved by Cabinet may shed light regarding relations between the Executive and the Scrutiny function, this does not reveal the extent to which the substance of the recommendations were actually implemented and whether or not intended outcomes were achieved.

3.5.3 It is important to reflect some of the intangible effects of Scrutiny and its ability to influence decision makers through discussion and debate. Sometimes there are no measureable outputs from Committee discussion yet the opportunity for Cabinet Members and Officers to reflect on proposed courses of action has undoubtedly influenced the way in which the proposal was implemented.

3.5.4 Scrutiny activities can be wide ranging and diverse and are not necessarily experienced by stakeholders within the process in a consistent and easily describable way. For example, Research and Evaluation Panels provide a less formal form of interaction between Committee Members and invitees than a traditional Committee meeting setting allows for. However, 'Call-Ins' are a very different experience for invitees and the impact of Scrutiny in these two instances will be specific to each case.

3.5.5 Striking an effective balance between the 'challenge' and 'support' elements of the Scrutiny function is reliant on Committees building strong working relationships and demonstrating other key skills such as negotiation and influencing, team-working, policy analysis and questioning techniques. Recommended good practice based upon the four principles of effective Scrutiny can be used to help identify developmental objectives for Members and Scrutiny function.

3.5.6 Care should be taken in focussing too carefully upon the number of recommendations approved and adopted by Cabinet as this gives no indication of the quality of the recommendation made in the first instance and the extent to which it may have been later implemented.

3.5.7 In 2012/13, Bridgend County Borough Council (BCBC) took an active role in the WAO Improvement Study, "**Good Scrutiny? Good Question**". A Learning

Exchange Team, comprising of the Scrutiny Chairpersons, a Scrutiny Officer and a Cabinet Member participated in a number of activities, including regional events hosted by Bridgend, discussions regarding best practice and peer evaluation of scrutiny committee meetings in Neath Port Talbot CBC. In turn, overview and scrutiny meetings Bridgend were observed by Cardiff Council.

3.5.8 The outcome of this study was the publication of the “Characteristics of Good Scrutiny”. These characteristics have been used to undertake an assessment of the scrutiny function in Bridgend.

Outcome What does good scrutiny seek to achieve?	Characteristics What would it look like? How could we recognise it?
1. “Better Outcomes” Democratic accountability drives improvement in public services.	a. Environment <ul style="list-style-type: none"> i. Overview & scrutiny has a clearly defined and valued role in the council's improvement and governance arrangements. ii. Overview & scrutiny has the dedicated officer support it needs from officers who are able to undertake independent research effectively, and provides councillors with high-quality analysis, advice and training. b. Practice <ul style="list-style-type: none"> i. Overview & scrutiny inquiries are non-political, methodologically sound and incorporate a wide range of evidence and perspectives. c. Impact <ul style="list-style-type: none"> i. Overview & scrutiny regularly engages in evidence based challenge of decision makers and service providers. ii. Overview & scrutiny provides viable and well evidenced solutions to recognised problems.
2. “Better decisions” Democratic decision making is accountable, inclusive and robust.	a. Environment <ul style="list-style-type: none"> i. Overview & scrutiny councillors have the training and development opportunities they need to undertake their role effectively. ii. The process receives effective support from the council’s corporate management team who ensures that information provided to overview & scrutiny is of high quality and is provided in a timely and consistent manner. b. Practice <ul style="list-style-type: none"> i. Overview & scrutiny is councillor-led, takes into account the views of the public, partners and regulators, and balances the prioritisation of community concerns against issues of strategic risk and importance. ii. Overview & scrutiny meetings and activities are well-planned, chaired effectively and make best use of the resources available to it. c. Impact <ul style="list-style-type: none"> i. Decision makers give public account for themselves at overview & scrutiny committees for their portfolio responsibilities.
3. “Better engagement” The public is engaged in democratic debate about the current and future delivery of public services.	a. Environment <ul style="list-style-type: none"> i. Overview & scrutiny is recognised by the executive and corporate management team as an important council mechanism for community engagement, and facilitates greater citizen involvement in governance. b. Practice <ul style="list-style-type: none"> i. Overview & scrutiny is characterised by effective communication to raise awareness of, and encourage participation in democratic accountability. ii. Overview & scrutiny operates non-politically and deals effectively with sensitive political issues, tension and conflict. iii. Overview & scrutiny builds trust and good relationships with a wide variety of internal and external stakeholders. c. Impact

Outcome What does good scrutiny seek to achieve?	Characteristics What would it look like? How could we recognise it?
	i. Overview and scrutiny enables the 'voice' of local people and communities across the area to be heard as part of decision and policy-making processes.

4. Current situation / proposal.

4.1 The following is the assessment of the Better Outcomes element of the Characteristics of Good Scrutiny.

Better Outcomes” - Democratic accountability drives improvement in public services.		
Environment	Overview & scrutiny has a clearly defined and valued role in the council's improvement and governance arrangements.	<p>The role of executive members and senior officers in contributing to Scrutiny is clearly defined in the Bridgend County Borough Council Constitution which states:</p> <p>Any Overview and Scrutiny Committee or sub-committee may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role it may require (subject to the operation of the Member and Officer Codes of Conduct) the Leader and any (other) member of the Cabinet, the Head of Paid Service and/or any senior officer to attend before it to explain in relation to matters within their remit:</p> <ul style="list-style-type: none"> (i) any particular decision or series of decisions; and/or (ii) the extent to which the actions taken implement Council policy; and/or (iii) the performance of their respective department / directorate portfolio and those persons shall attend if so required. <p>In addition to this Corporate Director, Head of Service and Cabinet Member involvement has been embedded throughout the Overview and Scrutiny process, including attendance at pre-agenda meetings where the subject, focus, content and timescale for individual items of the forward work programme are agreed.</p> <p>Corporate Directors and Heads of Service are involved in the report approval process at key stages, for example at request, Legal and Finance approval stages, and Directors and Cabinet Members are required to sign off the final version of the report.</p>

Better Outcomes” - Democratic accountability drives improvement in public services.

		<p>Any conclusions, recommendations or requests for further information are fed back to Corporate Directors, Cabinet Members and Heads of Service for responses as necessary.</p> <p>Recommendations to Cabinet are either presented directly to Cabinet or are incorporated into Directorate Reports where they inform Cabinet in their decision making. For example Learner Transport, where the Committees recommendations to treat all Post 16 Learners equally and to ensure that provision for Voluntary Aided Schools remain in line with the proposals for Welsh Medium Schools, was agreed by Cabinet and were incorporated as part of the final consultation proposals and informed the final outcome.</p>
	<p>Overview & scrutiny has the dedicated officer support it needs from officers who are able to undertake independent research effectively, and provides councillors with high-quality analysis, advice and training.</p>	<p>Bridgend County Borough Council has for many years had dedicated Scrutiny Officer support. Although the number of Scrutiny Officers has reduced in recent years, the quality of their work and the personal dedication to achieve positive outcomes for Scrutiny, the Authority and the residents of the County Borough remains unwavering.</p> <p>Scrutiny Officers proactively keep up to date with the most current information on a national and local level to enable them to support and advise Members effectively. This is done through independent research and external training. For example, Scrutiny Officers attended External Training, for example: Many Hands - A Conference on Scrutiny, Partnership, Collaboration and Regulation to share best practice and learn about working with regulatory bodies to improve the effectiveness and efficiency of Scrutiny; WLGA - Equality in 2015: Making an Impact seminar; established links with Equalities colleagues in BCBC and counterparts in other authorities; Scrutiny in times of Austerity and Scrutiny of Partnerships and Corporate Effectiveness through an external training provider, ContinYou Cymru.</p> <p>Scrutiny Officers from Bridgend are keen to work with Scrutiny Officers from across Wales to develop best practice. With the recent removal of funding for the Centre for Public Scrutiny (CfPS) the Scrutiny Officer Network was no longer supported. Officers from Bridgend and other Local Authorities requested that the Welsh Government facilitate future meetings of the</p>

Better Outcomes” - Democratic accountability drives improvement in public services.

		<p>network in order to continue the development of scrutiny across Wales. A tentative agreement was made by the Welsh Government to support this network.</p> <p>This proactive approach ensures that the Authority has the benefit of regional and national input and that the Scrutiny team is able to feedback lessons learned and best practice into the Scrutiny process and use the experience to help to support colleagues in improving and developing the type of information used as a basis for decision making.</p> <p>Research – Scrutiny Officers continuously raise awareness of the need and importance of considering comparisons with other local authorities to identify best practice and to monitor our performance from a national perspective. Scrutiny Officers often carry out research to support this and ensured that where this information is available it is included in Officers’ report to Committee. This approach was used to inform a recent report on Waste Services within the LA where information on other LAs performance regarding Waste Recycling was included in the report on the request of the Scrutiny Officer and used by the Committee to identify and recommend potential for sharing best practice.</p> <p>A number of Research and Evaluation Panel (REP) meetings have taken place, for example the Budget REP, the Member and School Engagement Panel and the Local Service Board Scrutiny Panel. This requires intensive organisation, preparation and support by Scrutiny Officers as well as detailed research prior to meetings and development of suggested areas of enquiry to assist and advice Members in their questioning.</p> <p>Support and Training for Members – As well as organising training for Members, other support needs of Members have been identified by Scrutiny Officers and addressed. For example, School Performance Data Training – Arrangements for further training and support was set up by the Scrutiny Officers to address the ongoing issues surrounding the Committee’s school performance monitoring role. A workshop was established to provide the opportunity for Officers to carry out data training with Members. This also provided an arena whereby Officers and Members could discuss and agree the</p>
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Better Outcomes” - Democratic accountability drives improvement in public services.		
		<p>structure and content of school performance reports which would meet the requirements of Estyn whilst also meeting the needs of the Committee; enabling them to understand, interpret and question the data accurately and to improve the effectiveness of their monitoring role.</p> <p>Committee Support – Scrutiny Officers organise and attend pre-meetings with Chairs to provide an opportunity to discuss detailed analysis of reports to identify areas of focus for the Committee and ensuring best use of time during Committee meetings. Between these meetings and the Committee meeting the Scrutiny team work closely with all parties to ensure that requests for information for Scrutiny reports are clear and are understood. Report authors are identified at the start of the process to enable Scrutiny Officers to liaise with them in ensuring that the focus of the report remains as requested and that the format of the report is accessible and clear.</p> <p>Support and advice is extended upon with the all Committee Members during the meeting where detailed advice is provided as part of a pre-discussion and summing up process at the beginning and end of every meeting.</p>
Practice	<p>Overview & scrutiny inquiries are non-political, methodologically sound and incorporate a wide range of evidence and perspectives.</p>	<p>The BCBC Constitution requires that the Scrutiny Committees and the appointment of Chairpersons be politically balanced and therefore this mirrors the make-up of Council. However, members put aside their political differences to ensure that all outcomes are in the best interest of the Authority and its constituents.</p> <p>Every Committee and Research and Evaluation Panel investigation has flexible but clear terms of reference.</p> <p>BREP has cross party membership and considers contentious issues at the early stages of development which Members approach with confidentiality and objectivity, irrespective of political allegiances.</p> <p><u>Forward Work Programme (FWP)</u></p> <p>Officers also use the following sources in order to identify items for inclusion on the Scrutiny Forward Work Programme:</p> <ul style="list-style-type: none"> • <i>Committee Requests for Scrutiny from previous Forward Work Programmes;</i> • <i>Wales Audit Office Assessment Letters;</i>

Better Outcomes” - Democratic accountability drives improvement in public services.

		<ul style="list-style-type: none"> • <i>Corporate Risk Assessment;</i> • <i>Directorate Business Plans;</i> • <i>Performance Reports to Scrutiny Committees;</i> • <i>Annual business planning and budget setting process;</i> • <i>Commission of Public Service Governance and Delivery (the Williams Report)</i> <p>The Scrutiny Committees have a finite capacity to consider the volume of topics that are generated. During development of the FWP these topics are initially prioritised in consultation with Cabinet Members and Officers. The draft FWP are then considered by the committee to ensure that the meet its requirements. The top 12 topics are scheduled into its 6 committee meetings with the non-priority topics being listed for information.</p> <p>The FWP is presented at each committee meeting to enable them to undertake a review to ensure that topics for consideration are prioritised and this allows scrutiny to remain current and provide an element of flexibility in considering priority topics. During the consideration of its FWP each committee is able to identify suitable invitees who can provide first-hand account or evidence in respect of the subject matter.</p> <p>Timing of reports coming to Scrutiny is informed by other activities, such as reports to Cabinet, Corporate Plans, the budget setting processes and regular and ad-hoc performance evaluation reporting.</p> <p>The process for maintaining and reviewing individual forward work plans to help to establish focus and agree content, timing and invitees for items coming to Scrutiny Committees has been reviewed and improved this year.</p> <p>For example, forward work plans for each individual Committee are collated into a single document with an overview which summarises the schedule for the work of all of the Committees. This ensures that the programmes can be assessed and managed as a whole to minimise the potential for duplication of effort and to enable the team to manage the workload, timescales, deadlines and areas for Scrutiny as a whole.</p> <p>Areas or subjects where representation from all Committees and Directorates is appropriate are identified and planned for collaborative</p>
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Better Outcomes” - Democratic accountability drives improvement in public services.		
		<p>committees to ensure the best approach is used. For example, this approach is used for the Corporate Resources and Improvement Overview and Scrutiny Committee when considering items such as the Performance and Financial Monitoring for the whole Authority and the Corporate Plan.</p> <p>The Scrutiny Chairpersons have a monthly meeting where they review the FWP and ensure that topics are not duplicated and possible additional items for inclusion on the FWP are identified. They also consider the best courses of action for scrutiny to deliver the outcomes it requires.</p>
Impact	<p>Overview & scrutiny regularly engages in evidence based challenge of decision makers and service providers.</p>	<p>As a matter of course, Scrutiny Committees require Cabinet Members and Corporate Directors to attend Committee meetings, as well as pre-agenda meetings where discussions over the detail in the forward work programme take place between Cabinet members, Officers and the Scrutiny Chair.</p> <p>Overview and Scrutiny regularly engages with and holds to account partners and associates of the Authority responsible for providing and supporting service delivery.</p> <p>Examples of this include meetings of the Member and School Engagement Panel where Headteachers and Chairs of Governors of individual schools are invited to meet with the Panel based on set criterion and are then held to account on their performance and improvement. This provides an opportunity to identify good practice which can then be communicated and replicated in other schools in the County Borough.</p> <p>Further examples include scrutiny of HALO, our service provider contracted for the management and provision of Leisure Services. There is also ongoing communication and engagement with the Central South Consortium, to monitor the quality and provision of service and ensure the needs of service users are met as agreed.</p> <p>In addition to this, the Scrutiny process is taking the opportunity to utilise the option provided by the Local Government (Wales) Measure which enables Scrutiny Committees to request designated persons to attend and provide information on particular items.</p>

Better Outcomes” - Democratic accountability drives improvement in public services.

		<p>Examples of this include Registered Social Landlords attending for items relating to Homelessness and Housing and also Representatives from the Business Community to provide information relating to Regeneration.</p> <p>Scrutiny Officers have recently begun working with colleagues in the Partnership Support team to identify information sharing opportunities and to compile a ‘bank’ of information on key organisations and individuals which Scrutiny Members and Officers can access and use to identify potential external contacts to invite to Overview and Scrutiny Committee meetings to ensure independent perspectives can be included in the Scrutiny process.</p>
	<p>Overview & scrutiny provides viable and well evidenced solutions to recognised problems.</p>	<p>Overview and Scrutiny Committees carry out pre-decision scrutiny where they have provided views on options for service delivery, often linked to a direct decision of Cabinet. Examples of this include:</p> <p>Learner Transport – Scrutiny made as series of comments and recommendations to cabinet on the new changes proposed for Learner Transport. This resulted in further, more robust consultation and directly influenced the final decision and outcome which ensured that provision for Post-16 Learner transport continued.</p> <p>Waste Services – Scrutiny received a report setting out options for future Waste Service Provision in the County Borough. Members were asked to provide comments on the options to be considered for service provision, resulting in recommendations to Cabinet which will inform the way forward and be monitored by the Committee.</p> <p>Recommendations made and accepted by Cabinet provide a good indication that Executive Members and Officers recognise the value of Scrutiny as a constructive check and balance to decision making.</p>

4.2 The following is the assessment of the “Better Decisions” element of the Characteristics of Good Scrutiny.

“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
Environment	<p>Overview & scrutiny councillors have the training and development opportunities they need to undertake their role effectively</p>	<p>Following the approval by Council of the Future Provision of Effective Scrutiny report in April 2015, appropriate Member Development was arranged to support the changes to the delivery of Scrutiny in Bridgend. Training Sessions facilitated by Ian Bottrill were offered to all scrutiny Members, Chairpersons and officers on 9 June and 6th July 2015 as follows:</p> <p><u>Session 1 Scrutiny in times of Austerity</u> The topics to be covered in this session included:</p> <p>Developing positive relationships between:</p> <ul style="list-style-type: none"> • Scrutiny Officers and Scrutiny Members • Scrutiny and Senior Officers/Cabinet Members <p>Focussing on key (Corporate) priorities:</p> <ul style="list-style-type: none"> • How Scrutiny can be most effective • How to prioritise what must/should/could be scrutinised. • How to determine what will deliver significant benefits to the Authority and its citizens <p>Prepare for effective Scrutiny Committees:</p> <ul style="list-style-type: none"> • own research prior to Committee, • Not being reliant on committee reports • Innovative ways of collecting evidence, e.g. public engagement, partner agency engagement, utilise Scrutiny Officer effectively to carry out/or task with research and scoping exercises. <p>Questioning techniques for all Members:</p> <ul style="list-style-type: none"> • How to plan and develop questions and get what you want from those who come to answer questions. • Highlight pitfalls and how to get around them, to include the role of chairs in assisting the Committee in ensuring they get the right answers. • Supplementary and probing questions. • Avoiding statements, multiple questions and questions not relevant to Committee role or topic being considered. <p>How to make effective recommendations:</p> <ul style="list-style-type: none"> • Making recommendations rather than conclusions • Avoiding general and/or aspirational recommendations • Strong recommendations are achievable, measurable, and relate to specific policies

“Better decisions” - Democratic decision making is accountable, inclusive and robust.

		<p>etc.</p> <ul style="list-style-type: none">• Appropriate follow up on the recommendations <p><u>Session 2 - Scrutiny of Partnerships and Corporate Effectiveness</u></p> <p><u>Partnerships</u></p> <ul style="list-style-type: none">• Focussing on<ul style="list-style-type: none">○ the partnership as opposed to the individual organisations○ complementing rather than duplicating existing accountability mechanisms○ Strategic rather than operational scrutiny○ outcome focused• Building relationships with partners <p><u>Corporate Effectiveness</u></p> <ul style="list-style-type: none">• Evaluating activities and monitoring performance against its objectives• Particular skills involved in Scrutiny of financial issues and proposed service reconfigurations.• What is the process for committing expenditure• Outcomes rather than outputs <p><u>Session 3 - Scrutiny Chairing Skills</u></p> <ul style="list-style-type: none">• The nature of scrutiny leadership the skills of chairing scrutiny e.g. those skills needed to manage the Scrutiny process and the committee to get most constructive results.• How style and approach is influenced by the chairperson linked with different approaches appropriate to topic.• The relationships between:<ul style="list-style-type: none">• Scrutiny chairs and scrutiny officers• Scrutiny Chairs and the Committee members. Linked to structured order of questions and ensuring Committee stays on topic.• Scrutiny Chairs and the Cabinet members/Senior Officers.• Successfully achieving the Critical Friend Challenge• Scrutiny Chairperson Only open forum: To address any specific concerns or queries which the chairpersons have in respect of Chairing Scrutiny meetings <p>NB: The repeat session was opened up to all scrutiny members as a development opportunity</p>
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“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
		<p>Feedback included:</p> <ul style="list-style-type: none"> • Found this excellent and very useful • Very engaging open informal training. Provided opportunities for officers to engage with members – very focussed training • Excellent plenty to think about • Instructor was knowledgeable and easy to talk to. Very informative <p>Members are also able to identify development opportunities in the Personal Development Reviews which when circulated to the Head of Democratic can be included in individual or corporate member development plans</p>
	<p>The process receives effective support from the council’s corporate management team who ensures that information provided to overview & scrutiny is of high quality and is provided in a timely and consistent manner.</p>	<p>The Corporate Management Board are fully supportive of the Scrutiny process and regularly participate in scrutiny pre-agenda meetings to assist providing information to support the scrutiny FWP items being considered.</p> <p>Historically, there have been occasional issues with the provision of timely information and reports. This has led to the deferment of a report but it is accepted that all directorates have significant resourcing issues for the future which exemplifies the need for consistent agenda planning to ensure that directorates are able to adequately support the scrutiny process</p> <p>Estyn representatives in attendance at a Committee meeting witnessed that Scrutiny is monitoring the quality of reports and responding to a recommendation from their Local Authority inspection that reports going to Scrutiny are fit for purpose.</p> <p>Resourcing issues further led to reports being presented without sufficient detail and led to additional workloads for the Service areas due the number of further information requests and the increased number of times the topic was considered by the committee. Again this exemplifies the need for agenda planning and resourcing to support the scrutiny process</p> <p>Following the implementation of the Future Delivery of Effective Scrutiny report Scrutiny Officers take a more active and supportive role in the production of service area reports being presented to scrutiny committees. The intention was to improve the quality and timeliness of</p>

“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
		reports being presented to the committee which would allow the committees to have a comprehensive report on the topic in order for them to make appropriate recommendations without the need for additional information or meetings.
Practice	Overview & scrutiny is councillor-led, takes into account the views of the public, partners and regulators, and balances the prioritisation of community concerns against issues of strategic risk and importance.	<p>As well as determining their Annual Forward Work Programme and identifying items for future meetings, part of the ongoing Scrutiny forward work programme process now includes the provision to revisit the items at each meeting and consider the list of future potential items to reprioritise as the Committees feels appropriate. A recent example of this has been where the Community, Environment and Leisure Scrutiny Committee determined to reprioritise the item on ‘Regeneration in the County Borough’ due to forthcoming changes in Corporate Priorities and future potential budget reductions in this area.</p> <p>Embedded in the ongoing forward work programme process is the option for Committees to refer specific items to other Scrutiny Committees for consideration. For example, this occurs frequently in the Corporate Resources and Improvement Committee as a result of the Committee’s monitoring of the LA’s performance including financial. It is then for the relevant Scrutiny Committee to determine where this item would then sit in terms of priorities on their own forward work programme.</p> <p>Members, with support from Officers, determined to reconfigure the Scrutiny process and remits to prevent duplication of work.</p> <p>BREP is proactively involved in developing future budget savings. They are able to bring their experience as Councillors in representing the views of their communities whilst realising the need for budget reductions within the Authority. and assisting to managing any potential tensions between the two.</p> <p>The BREP process identified that financial information was often presented out of context, making monitoring, evaluation and assessment of performance difficult.</p> <p>Scrutiny Officers worked with Officers in identifying and providing further data to address this issue, for example, information on budget savings to be used alongside budget pressures, advising on alternative formats to improve the clarity accessibility of the information and</p>

“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
		<p>requesting commentary to explain anomalies or extraordinary activities which may be 'masked' within top line figures.</p> <p>This has greatly improved the quality of information used to inform recommendations and decision making on budgets and financial planning. Furthermore, this approach will be used in future to ensure that all Committees have access to comprehensive information on both budget savings and budget pressures for each directorate to enable a better understanding of the overall budget position.</p>
	<p>Overview & scrutiny meetings and activities are well-planned, chaired effectively and make best use of the resources available to it.</p>	<p>As outlined in other headings there is a comprehensive forward work programme planning process which includes:</p> <ul style="list-style-type: none"> • Pre-Agenda meetings • Detailed report requests • A structured report approval system with set milestones for every stage e.g. Legal and Finance approval • Dedicated time allocated for Scrutiny Officers to meet with Chairs prior to Committee meetings to both understand and agree the focus that the Chair and the Members may wish for the meeting. • Pre-discussions in Committee meetings. <p>The scrutiny Chairs are “seasoned” elected members with wealth of experience of chairing general meetings. Their skills have been developed with the delivery of specific Scrutiny Chairs Training. This was a combined session with the first part including officers which enabled them to consider best practice and consistency across the range of scrutiny committees. Subsequently the chairs were able to discuss topics of their choice as a peer group with a facilitator without the officers in attendance. These sessions were well received by the Chairs and the facilitator commented that the Chairs were very intelligent and capable.</p> <p>Corporate Parenting - The role of the Corporate Parent is to seek for children in public care the outcomes every good parent would want for their own children. The Council as a whole is the ‘corporate parent’ therefore all Members have a level of responsibility for the children and young people looked after by Bridgend.</p>

“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
		<p>Scrutiny Corporate Parenting Champions support OVS Committees in this by advising them of the ongoing work of the Cabinet-Committee and particularly any decisions or changes which they should be aware of as Corporate Parents.</p> <p>Areas for improvement in reporting to and from Corporate Parenting Committee and Overview and Scrutiny Committees were highlighted by Scrutiny Officers. Opportunities for the Corporate Champion to raise issues during the day to day business of OVSC were often limited as the arrangement was that all potential issues would be covered in biannual reports rather than whenever relevant subjects or issues were being discussed at OVSC meetings. Scrutiny Chairs were asked by Scrutiny Officers to review the arrangements for Corporate Parenting Champions providing feedback to and from Committees.</p> <p>The review resulted in an improved approach wherein Corporate Parenting Champions are asked to consider the items going to every OVSC meeting and to advise or update Members on any Corporate Committee work or decisions relevant to items during meetings, ensuring that links to the Corporate Parenting Committee are clearer and that feedback provided to and from Committees by Champions is timely and relevant and embedded in to the day to day work of the Committees.</p>
Impact	<p>Decision makers give public account for themselves at overview & scrutiny committees for their portfolio responsibilities.</p>	<p>In accordance with the constitution, Scrutiny Committees require Cabinet Members and Corporate Directors to attend Committee meetings give public account for themselves.</p> <p>They also attend pre-agenda meetings where discussions over the detail in the forward work programme take place between Cabinet members, Officers and the Scrutiny Chair. This ensures that the content and focus for reports going to OVSC meetings are agreed and that requests for information to be included in the reports are understood by everyone.</p> <p>Establishing these clear, agreed guidelines enables Scrutiny Officers to advise report authors on the inclusion and presentation of relevant information, resulting in accessible reports which provide an accurate reflection of requests from Members</p> <p>Reports to Cabinet containing recommendations from the Scrutiny Committee or</p>

“Better decisions” - Democratic decision making is accountable, inclusive and robust.

		<p>recommendations incorporated into Directorate Reports to Cabinet directly inform decision making process.</p> <p>Scrutiny committee draw conclusions and also make recommendations to Officers as part of summing up at every committee meeting. For example:</p> <p>Parking Enforcement – recommendations to officers:</p> <ul style="list-style-type: none"> • The Committee recommended that Enforcement Officers work more closely in partnership with PCSOs to enable better communication and to ensure that issues are dealt with pro-actively and effectively. • The Committee recommended that the impact of parking around schools on the safety of children be considered a priority when decisions are made on parking restriction and enforcement. • The Committee recommended that clear information on cost and options for Town and Community Councils should be made available and a simplified process set in place to enable them to work with the Authority to improve communication and an understanding of the need of individual Councils and communities and the services and support available from the Authority. <p>Bridgend Change Programme - Building Capacity in the Third Sector and Town and Community Councils:</p> <ul style="list-style-type: none"> • The Committee recommended that a named BCBC Officer is identified as a single point of contact for interested parties requiring support when applying to undertake self-management of services, and for this arrangement to continue throughout the process to address concerns regarding lack of progress for some local parties who have expressed an interest in self-managing. <p>Front Line Street Scene Service Delivery:</p> <ul style="list-style-type: none"> • The Committee recommended that clear information on cost and options for Town and Community Councils should be made available and a simplified process set in place to enable them to work with the Authority to improve communication and an understanding of the need of individual Councils and communities and the services and support available from the
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“Better decisions” - Democratic decision making is accountable, inclusive and robust.		
		Authority.
		These will be followed up and monitored in any subsequent reports on the subjects.

4.3 The following is the assessment of the “Better Engagement”, element of the Characteristics of Good Scrutiny.

“Better engagement” - The public is engaged in democratic debate about the current and future delivery of public services.		
Environment	Overview & scrutiny is recognised by the executive and corporate management team as an important council mechanism for community engagement, and facilitates greater citizen involvement in governance.	<p>The Bridgend County Borough Council Consultation and Engagement Toolkit was issued in August 2014 incorporates the Participation Cymru’s National Principles for Public Engagement in Wales, which have been adopted by the Council.</p> <p>The document helps to ensure that all consultation and engagement projects are consistent, robust and effective.</p> <p>The Overview and Scrutiny Team will incorporate the principles into the development of consultation and engagement guidance specific to Scrutiny later this year to improve to way that the Authority engages and informs members of the public in all aspects of Scrutiny activity.</p> <p>Further work with relating to public engagement with scrutiny is on the forward work programme for the Partnerships and Governance Overview and Scrutiny Committee to be considered later this year.</p>
Practice	Overview & scrutiny is characterised by effective communication to raise awareness of, and encourage participation in democratic accountability	<p>It is recognised that scrutiny needs to develop its ability to communicate effectively with the public and to raise awareness of, and encourage participation in democratic accountability</p> <p>Engagement opportunities are being developed with Town & Councils and third sector organisations to invite individuals with specific experience to scrutiny meetings. This will provide scrutiny the opportunity to hear the views of others and gather evidence to make appropriate recommendations</p> <p>The BCBC webpages are also being reviewed to raise awareness of the scrutiny process and encourage active participation</p> <p>The planned development of the Webcasting facilities of the Authority have been put on</p>

“Better engagement” - The public is engaged in democratic debate about the current and future delivery of public services.		
		temporary hold until clarification is received regarding the revised welsh language standards. It is anticipated to the implementation of the webcasting facility will encourage greater engagement from and participation from the public.
	Overview & scrutiny operates non-politically and deals effectively with sensitive political issues, tension and conflict.	Every Committee and Research and Evaluation Panel investigation has flexible but clear terms of reference. BREP has cross party membership. BREP considers contentious issues at the early stages of development which Members approach with confidentiality and objectivity, irrespective of political allegiances.
	Overview & scrutiny builds trust and good relationships with a wide variety of internal and external stakeholders.	<p>Local Service Board – This year Scrutiny Officers carried out a review of the Membership of the LSB Scrutiny Panel. The membership has been updated to better reflect the membership of the LSB, with non-executive members or members of trustee boards from partner organisations to ensure that Scrutiny is carried out objectively and comprehensively.</p> <p>Scrutiny also recommended 'delaying' the structure of the Local Service Board, consequently the current structure is clearer and more efficient and processes for information sharing, decision making and the development and progression of projects and activities are more effective.</p> <p>The substantial contribution that Scrutiny has made in supporting the streamlining of the structure and improving the efficiency of processes has been recognised by LSB Partners. Furthermore, the new structure will help to support the preparative work to ensure a smooth transition to Public Service Board in future.</p> <p>Committees have also engaged with Trade Unions, Registered Social Landlords, Representatives from local Businesses, Headteachers and Chairs of Governors</p>
Impact	Overview and scrutiny enables the 'voice' of local people and communities across the area to be heard as part of decision and policy-making processes.	<p>Members are proactive in their constituent roles and bring their experience from this into Scrutiny Committees whilst ensuring that they avoid a colloquial approach.</p> <p>Scrutiny challenges the Authority’s consultation and engagement process and ensures findings from consultation and engagement activities are included in reports and are listened to, presented objectively used to directly inform decisions.</p> <p>For example during the Call-In of Cabinet</p>

“Better engagement” - The public is engaged in democratic debate about the current and future delivery of public services.

		<p>Decision regarding the Provision for Pupils with Additional Learning Needs (ALN) Outcome of Consultations on Proposal for Changes to Pencoed Primary School – Members questioned the consultation process and the interpretation of the findings and provided a report to Cabinet with a series of comments and recommendations. The impact of this was that Cabinet abandoned the proposal to close the moderate learning difficulties (MLD) Learning Resource Centre for 1 September 2015 at Pencoed Primary School to enable a monitoring period to take place and robust information to be compiled to inform any further decisions on service provision.</p>
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4.4 Committee activity also uses the Centre for Public Scrutiny’s four principles of effective Scrutiny to capture some of the complexities associated with the Overview & Scrutiny process. These are as follows:

1. Provides ‘critical friend’ challenge to executive policy-makers and decision-makers.
2. Enables the voice and concerns of the public.
3. Is carried out by ‘independent minded governors’ who lead and own the scrutiny role.
4. Drives improvement in public services.

4.4.1 Principle 1 - Provides ‘critical friend’ challenge to executive policy-makers and decision-makers.

Scrutiny Committees receive pre-decision Scrutiny reports throughout the year and they respond with recommendations to Cabinet to help to inform and improve decision making. There is evidence of direct impact from some of these, for example following the presentation of a report to Scrutiny on Learner Transport, where the recommendations of the Children and Young People Committee resulted in a change to proposals presented in relation to faith and Welsh Schools. The recommendations from the Committee also contributed substantially to the improvement of the overall quality of the consultation process by ensuring that further consultation was carried and that young people were engaged and their views were taken into account and used to inform the final decision.

Another example is the change to the way that Scrutiny of the Council’s Corporate Plan is carried out, where Members identified that there had been no timely opportunity to enable all Chairs to contribute to the process of consultation, evaluation and development of the Corporate Plan and, therefore, no corporate or overview response from Scrutiny was included in the consultation. To address this issue the Community, Safety and Governance (now Partnership and Governance) Committee invited all Scrutiny and Overview Committee Chairs to scrutinise the Plan, including the improvement priorities, actions to priorities and the commitments for 2015-16. The result of this was that all Chairs had the opportunity to contribute to the process, providing a ‘critical friend’ perspective and ensuring that a

representative, corporate wide response informed the consultation. All recommendations resulting from the joint exercise were accepted and implemented in the production of the final Corporate Plan before it was presented to Cabinet.

There are currently a series of recommendations awaiting formal responses from Cabinet which are being monitored by Scrutiny. Work will be undertaken with senior officers and Cabinet to develop a process to ensure that responses by Cabinet to recommendations from Scrutiny are received in a consistent and timely manner.

4.4.2 Principle 2 - Enables the voice and concerns of the public.

Through the Budget Research and Evaluation Panel both last year and already in the current year, members are extremely focused on ensuring that the views of the public are represented when considering any future savings proposals. In addition to this the Panel scrutinise and monitor the budget public consultation as a whole, ensuring that it is inclusive and accessible.

Committees are continuously seeking opportunities to identify and engage a range of independent representatives to help to scrutinise services provided or managed by the Authority. Some examples of external invitees to Scrutiny Committees are representatives from local businesses, trade unions, registered local landlords and school governors. Further work will be carried out to enable Scrutiny to encourage individuals, communities and organisations to raise awareness and understanding of the role of Scrutiny and of the opportunities for them to engage and participate in the scrutiny process.

4.4.3 Principle 3 - Is carried out by 'independent minded governors' who lead and own the scrutiny role.

Members identified the risk of duplication or oversight when scrutiny of performance and budget was carried out separately by each of the five individual Committees. A review of the way in which information on performance and budget is reported and presented to Committees led to an agreement that the reports should be coordinated via the CRI Forward Work Programme and presented at CRI Committee meetings where all Scrutiny Chairs and Corporate Directors will attend to ensure a 'joined up', corporate wide approach to scrutinising performance.

This approach was piloted and was a positive experience and led to further developments to improve in the structure of the reports. Members have now requested that both reports are combined, resulting in a more effective and concise report which reflects the structure and flow of the meeting and ensures that Officer and Member time is used effectively during meetings.

Where Committees have received reports which have not been fit for purpose, for example due to incomplete, unclear or inaccurate information, they use a clear and consistent approach by using the option available to them to defer reports, thereby reinforcing the requirement for Officers to work with Scrutiny to Improve the quality of information going to Committees. This has resulted in a considerable improvement in the quality and completeness of information used by Members to monitor and challenge performance.

4.4.4 Principle 4 - Drives improvement in public services

Committees regularly carry out detailed performance and budget monitoring whereby Members evaluate the Council's Improvement Priorities, National and Local Performance Indicators as well as monitor the Authority's Revenue and Capital budgets. This enables continuous accountability and challenge of how public money is being allocated and spent by the Authority, ensuring value for money.

In addition to this, Scrutiny Members continuously monitor and challenge future financial plans for the Authority and contribute to the establishment of a coherent budget strategy that is based on a longer term view through the BREP. In this role, Members contribute substantially to the development of innovative ways of maintaining and improving public services working with diminished resources.

4.5 Further Development

4.5.1 Further work will be carried out

- to develop and improve current processes to enable Scrutiny Officers to better track and monitor recommendations once they have been made to Cabinet or Officers.
- with senior officers and Cabinet to develop a process to ensure that responses by Cabinet to recommendations from Scrutiny are received in a consistent and timely manner.
- to develop the ability of Scrutiny to communicate effectively with the public and to better facilitate engagement and participation in democratic accountability.

4.5.2 The scrutiny function is subject to the same reductions in resources as much of the Authority. The developments and improvements achieved during this year have been carried out within this context. Every effort is being made to ensure that the scrutiny function in Bridgend is carried out to the high standards that have become expected of the service. For the future however it is more important than ever for the committees to concentrate their efforts on issues that impact the most on the operation of the Authority. The intention to provide collaborative scrutiny committees has not progressed and requires the commitment and resources across the partner authorities.

5. Effect upon Policy Framework and Procedure Rules.

5.1 This report accords with the relevant Procedure Rules.

6. Equality Impact Assessment.

6.1 There are no equality implications attached to this report.

7. Financial Implications.

7.1 There are no financial implications regarding this report.

8. Recommendation.

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

P A Jolley

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Background documents: None were used in the production of this report