

*Rydym yn croesawu gohebiaeth yn Gymraeg.
Rhowch wybod i ni os mai Cymraeg yw eich
dewis iaith.*

*We welcome correspondence in Welsh. Please
let us know if your language choice is Welsh.*



**Gwasanaethau Gweithredol a Phartneriaethol /
Operational and Partnership Services**

Deialu uniongyrchol / Direct line /: 01656 643696
Gofynnwch am / Ask for: Mrs Julie Ellams

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

Dyddiad/Date: 15 September 2016

Dear Councillor,

CORPORATE RESOURCES & IMPROVEMENT OVERVIEW & SCRUTINY COMMITTEE

A meeting of the Corporate Resources & Improvement Overview & Scrutiny Committee will be held in the Committee Rooms 2/3, Civic Offices Angel Street Bridgend CF31 4WB on **Wednesday, 21 September 2016 at 2.00 pm.**

AGENDA

1. Apologies for Absence
To receive apologies for absence from Members.
2. Declarations of Interest
To receive declarations of personal and prejudicial interest (if any) from Members/Officers in accordance with the provisions of the Members Code of Conduct adopted by Council from 1 September 2008 (including Whipping declarations)
3. Approval of Minutes 3 - 16
To receive for approval the minutes of a meeting of the Corporate Resources and Improvement Overview and Scrutiny Committee of 11 July 2016.
4. Budget Monitoring - Quarter 1 2016-17 17 - 38
Invitees:

All Members of Cabinet and Corporate Management Board
All Overview and Scrutiny Chairs
5. Procurement 39 - 44
Cllr Hywel Williams, Cabinet Member - Resources
Andrew Jolley, Corporate Director - Operational and Partnership Services
6. Forward Work Programme Update 45 - 48

7. Urgent Items

To consider any items 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

Corporate Director Operational and Partnership Services

Distribution:

Councillors:

G Davies
GW Davies MBE
E Dodd
CA Green

Councillors

EM Hughes
DRW Lewis
JR McCarthy
D Patel

Councillors

M Reeves
JC Spanswick
G Thomas
RE Young

Agenda Item 3

CORPORATE RESOURCES & IMPROVEMENT OVERVIEW & SCRUTINY COMMITTEE - MONDAY, 11 JULY 2016

MINUTES OF A MEETING OF THE CORPORATE RESOURCES & IMPROVEMENT OVERVIEW & SCRUTINY COMMITTEE HELD IN COUNCIL CHAMBER, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON MONDAY, 11 JULY 2016 AT 2.00 PM

Present

Councillor M Reeves – Chairperson

G Davies
JR McCarthy

E Dodd
D Patel

CA Green
JC Spanswick

EM Hughes
RE Young

Officers:

Susan Cooper	Corporate Director - Social Services & Wellbeing
Robin Davies	Group Manager - Business Strategy and Performance
Mark Galvin	Senior Democratic Services Officer - Committees
Randal Hemingway	Head of Finance & Section 151 Officer
Sarah Kingsbury	Head of Human Resources, Organisation and Development and Customer Services
Darren Mepham	Chief Executive
Yuan Shen	Corporate Improvement and Intergrated Partnerships Manager
Mark Shephard	Corporate Director - Communities
Ian Vaughan	Workforce Planning Officer

201. APOLOGIES FOR ABSENCE

Apologies for absence were received from the following Members and Officers:-

Councillor GW Davies MBE
Councillor D Lewis
Councillor CE Smith
Councillor H Townsend
Councillor MEJ Nott
D McMillan
PA Jolley

202. DECLARATIONS OF INTEREST

None

203. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of the Corporate Resources & Improvement Overview and Scrutiny Committee dated 22 March 2016, be approved as a true and accurate record, subject to it being noted that Councillor Green had given apologies for her non-attendance at the meeting.

204. SICKNESS ABSENCE REPORT

The Chairperson welcomed to the meeting the Cabinet Member Resources, The Head of Human Resources and Organisational Development and the Workforce Planning Officer.

The Head of Human Resources and Organisational Development advised Members that there was a typographical error in paragraph 3.3 of the report, in that reference to the year should read '2015'. She further tabled for Members a replacement Appendix D, i.e. the latest quarterly Sickness Absence report for 2015/16 that was submitted to CMB, as the percentages included in Section 3.1 of Appendix D attached to the report had been incorrectly calculated.

The Head of Human Resources and Organisational Development then introduced the report, the purpose of which was to provide the Committee with a position statement with regards to levels of sickness in the Authority for the year 2015/16 and the work/actions undertaken since the WLGA project was conducted in 2015.

The Chair questioned whether or not, if it was apparent early on that an employee off on sick would not be fit to return to work at all, the Trade Unions would show flexibility and perhaps support cases of early retirement or redundancy for the member of staff in question.

The Head of Human Resources and Organisational Development confirmed that the majority of cases of continued sickness absence by an employee would involve them being represented by a Trade Union representative (on the basis that they were in a Trade Union). All employees had a contractual entitlement, whereby they were paid in full for 6 months and receive half pay for the following 6 months, based on the fact that they had been in the Authority for sufficient time to receive this. The local authority were unable to disagree with this payment arrangement, as if it did, the employee would in all probability go to an Industrial Tribunal the result of which would be that as well as paying sickness entitlement to the employee, the Council would also have to pay added costs for going through this process.

A Member noted from the report that completion of Return to Work forms and interviews was particularly poor in schools, notwithstanding the fact that schools had been financially protected in the MTFs. He felt that Management should be making every attempt to ensure that steps are taken to improve this situation. He also questioned paragraph 4.10.4 of the report, where it stated that Line Managers had been instructed to have daily contact with employees who were absent from work due to short term sickness absence. He felt that this may not work in practice and could exacerbate a situation whereby the employee may be absent due to a stress related illness.

The Head of Human Resources and Organisational Development confirmed that when schools have been approached regarding Return to Work interviews, in the majority of cases, they confirmed that they were conducting these in accordance with sickness absence procedures and protocols. It was apparent however, that this was not always the case and she acknowledged that there was significant room for improvement in this area. The Corporate Director Education and Family Support however, routinely reminded schools that these interviews have to take place. Last autumn at a CPA meeting, Members and Officers were keen to ensure that Managers contact employees off work with short term sickness absence every other day, this had subsequently changed to every day. The employee in question was required to contact their Line Manager on their first day of sickness absence and similarly also on the fourth day. If they were absent for a period longer than 7 days, then they needed to submit a sickness absence note signed off by their GP after it was diagnosed what their illness was.

A Member added that contacting an employee every day to establish when they were going to return to work could be classed as harassment.

The Head of Human Resources and Organisational Development confirmed that part of the reasoning behind contacting the employee was in order for their Line Manager to find out what they were suffering from, and perhaps to tentatively ascertain the likely date of their return to work. Managers were trained in dealing with issues relating to staff sickness absence, as well as in observing signs when employees were becoming unwell in whatever capacity, and to take steps if and when appropriate, to afford them increased support due to this whilst in the workplace, or if they subsequently went absent with a particular health problem that may be work related. There were further mechanisms in place for employees she added, such as through Occupational Health support.

On a positive note, a Member referred to pages 19/20 of the report and noted that across the UK since 1993, there had been an overall downward trend in sickness absence rates. She further noted though, that sickness absence in the private sector was less than in the public sector and asked if Officers were aware of why this was the case.

The Head of Human Resources and Organisational Development confirmed that the majority of private companies did not have a Health Scheme such as public sector organisations did, and therefore, rather than staff in the public sector having a generous salary entitlement while off with sickness absence, in private companies employees may only be entitled to state sickness benefit as opposed to continuing to receive their salary. She also added that tolerance levels were generally less relaxed in terms of sickness absence in the private sector than they were in the public sector. An example of this was that staff formerly employed by the Authority that had now transferred to Halo, had realised that the companies stance on sickness absence was tighter than it had been when they had been employed with the local authority. Due to this, staff there were more reluctant to go off with sickness absence for fear of accumulating too many days of being absent, resulting in the fear that they may lose their job.

A Member referred to page 30 and the last sentence of paragraph 16.2, where it identified that Social Services was a sickness absence “hotspot”, particularly for residential and domiciliary care services. It was also noted that the two best performing Councils for sickness absence had outsourced the latter. He asked if this service was outsourced, did it skew the absence figures (by way of them being improved) as they could not be collated in this area of work by the local authority, as the service area was no longer the responsibility of the local authority.

The Head of Human Resources and Organisational Development replied that sickness absence in residential and domiciliary care was also high in BCBC, however, even though the Council had outsourced its Refuse Collection service, sickness absence was still high with staff working there. Other areas of the Communities Directorate involved staff working outdoors ie manually, which would possibly give rise to higher sickness absence statistics than white collar staff, though overall the Communities Directorate had the best record of sickness absence statistics throughout the Authority. She added that if the Authority outsourced Homecare then current sickness absence statistics in the Council would probably reduce as sickness absence in areas such as this and Wellbeing as a whole, were high.

A Member referred to page 39 of the report, and asked for the Invitees to expand upon the policy adopted by the Authority, whereby staff if they so wished, could buy additional leave over and above to that which they were entitled to.

The Head of Human Resources and Organisational Development, confirmed that the Council adopted a policy, whereby staff could buy a maximum of 10 days extra annual leave a year, or 5 days, but nothing other than these two amounts. The extra scope here could be beneficial for employees with young families who require perhaps extra days to look after their children, so this was more of a plus for the employee possibly rather than the employer. She added that it had proved quite successful to date though.

A Member asked for further information regarding BCBC claiming back sickness payments from a 3rd party if a Council employee has had to have a period of sickness absence, due to a sports injury or motor vehicle accident, etc, ie by getting involved in an activity with another party separate to the Council. Whilst he understood the rationale behind this, he asked how it could be applied in a consistent and fair manner across the board.

The Head of Human Resources and Organisational Development, confirmed that this was something that had always been in the Council's Sickness Absence Policy, as it was in all probability in other local authorities policies too. The reason this provision of payment was included in the Policy, was due to the fact that the Council in the face of ever increasing shrinking budgets were not able to pay people who were absent from work due to injuries they had incurred whilst being involved in activities run by a party or organisation that was independent of the Authority.

A Member referred to page 59 of the report, which reflected that the Communities and Resources Directorates were improving in terms of sickness absence rates, whilst other Directorates were getting worse. He was aware that the Communities Directorate had previously put considerable effort in taking steps through which to reduce sickness absence in that Directorate, including introducing their own Sickness Plan that included effective ways within which to manage illnesses, particularly those which were stress related.

The Head of Human Resources and Organisational Development confirmed that all Directorates were in regular contact with each other so as to achieve effective sickness absence management practices and policies, and this was a topic regularly reviewed at CMB and CPA meetings. There were higher cases of sickness absence in the Wellbeing Directorate, but this was understandable to a degree, given that there were a large number of care staff in the Directorate that were regularly involved in manual handling of service users, which often gave rise to lumber related injuries. Office based staff usually had less sickness absence than Care workers, however, due to staff redundancies associated with budget cuts, employees were more at risk of experiencing stress due to work related pressures, and cases such as this sometimes led to a period of sickness absence, which at times turned into a period of long term. She was unaware of anything differently being carried out in the Communities Directorate compared with others with regard to the management of staff absent through a stress related illness. The Head of Human Resources and Organisational Development stated that it could be a case that Managers in this particular Directorate, be may managing sickness absence more effectively than Managers in certain other Directorates.

A Member referred to page 77 of the report and noted that last year, BCBC were the 17th best Authority in Wales when it came to levels of sickness absence. She asked if the current picture showed any improvement upon this.

The Head of Human Resources and Organisational Development advised that so far this year, the levels of sickness throughout the Authority were slightly worse than last year, however, this could change by end of year.

A Member referred to the data shown on page 79 of the report, which again reflected that the Communities Directorate had a low percentage of Return to Work forms not returned, and that schools had a fairly deplorable record here. There needed to be a more consistent approach Authority wide he felt in respect of these forms being completed.

The Head of Human Resources and Organisational Development acknowledged this point. She added that the Authority were trying to adopt a more corporate approach, ensuring wherever possible overall that 90% of

Return to Work forms were completed and returned to the Human Resources Department following a period of sickness absence by an employee.

A Member referred to the BCBC Report on the Employee Assistance Programme quarterly report attached to the covering report, and asked what was the purpose of this.

The Head of Human Resources and Organisational Development confirmed that this was a document provided by Care First Employee Assistance Solutions, who provided a confidential Counselling Scheme for the Council and its employees. This service supported a range of different and problematic health problems, such as severe stress &/or depression and alcohol or drug dependency, amongst others.

A Member asked the Invitees how much sickness absence cost each Directorate and the Authority as a whole over a given period, for example per annum.

The Head of Human Resources and Organisational Development confirmed that she was unaware of this, as it was almost impossible to quantify and no data was held by the Authority in relation to this. There were different scenarios whereby a Section would usually absorb the work of an employee who was off work due to sickness absence, by splitting their duties amongst other staff who undertook similar duties, so this was an efficiency rather than a financial cost to the Authority. However, in order to eradicate risk etc, if, for example, a Home Care worker was absent, then a replacement member of staff needed to be recruited in their place to cover for them, which in effect resulted in the Authority paying two employees for the services of one. However, the Wellbeing Directorate would set aside a budget for this eventuality annually.

As this concluded debate on this item, the Chairperson thanked the Invitees for attending and contributing to the meeting.

Committee Observations

1. The Committee expressed concern at the ongoing issues with sickness absence across the Authority in general, with particular reference to the Wellbeing Directorate. Members commented that Sickness absence management needed to be dealt with consistently across the Authority with increased efforts being made to share best practice. The Committee proposed for example that good practice in Communities be further explored, as they have continued to reduce their sickness absence rates despite significant budget cuts to service areas. The Committee agreed that the lowest performing areas needed particular attention provided from the Corporate Centre.

2. Whilst Members appreciated that costings for all sickness absence could not be produced as not all positions were replaced, the Committee requested that they receive the costed payroll information for those services that were replaced in order to provide a snapshot of how much sickness is costing the Authority.
3. The Committee requested that they receive the figures for sickness absence training by percentage instead of numbers in order that a better comparison between directorates can be made.
4. The Committee expressed concern over the figures for the return to work interviews forms not being returned, particularly in the Wellbeing and Education Directorates. The Committee recommended that this be a priority for sickness absence management for all managers within each Directorate.
5. The Committee requested that the table displayed on P119 of the report detailing the Short Term and Long Term Absence in Schools be sent to all School Governor Groups in order to encourage them to monitor sickness absence more closely.

Recommendation

The Committee recommended that the Chief Executive's appraisal contain a target to reduce sickness absence across the Authority by 10%.

205. COUNCIL'S PERFORMANCE AGAINST ITS COMMITMENTS AND A SUMMARY OF ITS FINANCIAL POSITION AT YEAR END FOR 2015-16

Chief Executives (including Resources Directorate)

The Chairperson invited the Chief Executive and the Head of Finance & S151 Officer to the meeting.

The Chief Executive confirmed that the report provided the Committee with an overview of the Council's performance in 2015-16, compared with its commitments to delivering the Improvement Priorities in the Corporate Plan for 2013-17. He added that the report also provided the Committee with an update on the financial position as at year end 31 March 2016.

Members questioned the Corporate Reserves of the Authority that included the Major Claims Reserve and the Change Fund.

The Head of Finance and S151 Officer referred Members to page 130/131 of the report and the table entitled Moment in Reserves 2015/16. This he stated, reflected a full breakdown of the total movement regarding earmarked reserves as at 31 March 2016. As the report suggested, he confirmed that the remaining under spend of £154k had been transferred to the Council Fund.

A Member also referred to the above table, and the Directorate Reserves for Looked After Children (LAC) which showed no Expenditure or Additions having occurred in 2015-16, therefore outlining a closing balance of £824k as at 31 March 2016. She asked if Officers could expand upon this information.

The Head of Finance and S151 Officer, explained that at the start of the last financial year £824k of Reserves had been allocated to this service area, as historically, this degree of budget allocation was required to support LAC. However, due to the Directorates overall performance in terms of savings it had to make under the MTFs, there had been no requirement to draw upon this allocated funding. Therefore, it was not considered that there was a necessity to add to this estimated earmarked reserve for the coming financial year.

A Member making reference to the same table, referred to the expenditure incurred for 2015/16 in respect of the Major Claims Reserve, ie £3,162m. He asked what this had been spent on.

The Head of Finance and S151 Officer confirmed that he would obtain this information and come back to the Member outside of the meeting.

A Member referred to page 138 of the report and the High Risks for 2015-16. He noted that the risk of Disposing of Waste was fairly low, and he thought that this should be a higher risk, given that the Authority were going out to tender for Waste Management next year.

The Chief Executive confirmed that there was a meeting of Senior Management team next week, where a review of the Council's Corporate Risks would be discussed on a Directorate by Directorate basis. He added that the risk that the Member was probably referring to, was MREC and the Residual Waste Contract. He added that these were existing risks and that risks such as these were covered corporately as they were the most important risks of the Authority. Due to this, they were specifically included as part of the Council's Corporate Risk Register.

A Member referred to page 143 of the report and the number of working days per full time equivalent lost due to sickness absence (Resources), and noted that this was worse in the current year than it was last year, when BCBC were the 17th worst Authority out of the 21 in Wales for levels of sickness absence.

Communities Directorate

The Corporate Director Communities noted that most of the Directorates business objectives were met last year, however, he was concerned regarding the extent of reduction in resources the Directorate had faced the last few years, and would continue to face in the short/medium term future. This was due to the fact that these budget reductions were having a detrimental impact in terms of front line services that the Directorate had to provide. Due to the way the Communities budget was handled however, effective services were still being provided albeit in a different way than had previously been the case. He advised that the challenges the Directorate were facing were very much likely to continue for the next few years, and in all probability would become worse before they came better.

A Member referred to page 181 of the report and the underperforming indicator in terms of the percentage of total length of Rights of Way that were easy to access by members of the public. He was aware that there was a fairly high ratio of staff in this Section of the Directorate when compared to similar divisions in other neighbouring authorities, and considered that more Rights of Way above the 69% currently in operation should be accessible to the public and walking groups, such as the Rambler's Association.

The Corporate Director Communities confirmed that wherever possible he and his Management team looked to improve performance indicators affecting different service

areas of the Directorate, even in the face of continuing challenges. There had however been a reduction in staffing in the Rights of Way Section through employees retiring and/or leaving the Authority for jobs elsewhere, and due to cuts that had to be made, the staffing compliment had been reduced in this Section. The Sections work also involved interaction with the Council's legal department, and some of this support work was chargeable. He had considered that this particular Performance Indicator though important, was less important than certain other frontline services provided by Communities and, in view of the fact that he was now relying on a budget of 40% less than had previously been the case, he could not maintain an improvement in P.I.'s in all areas. He also needed to ensure P.I.'s were maintained and where possible improved upon in areas where members of the public were complaining. These often led to Councillors referrals being made. These service areas were primarily grass cutting, highway maintenance and street cleaning, etc, public facing services.

The Member whilst appreciating the above, reminded Invitees that there was also a statutory obligation to provide and maintain public Rights of Ways as footpaths available to the public. These provided scenic walks for the public and if the public were restricted from using these, then it could be seen as having a detrimental effect upon their health and wellbeing.

The Corporate Director Communities assured Members that the Directorate were being as proactive as they possibly could to maintain public footpaths in order that they could be accessed by the public. However, he added that as in most other services that were provided by the local authority, these could not be provided to the same level as they had been previously, as the Council's budget was dwindling year on year. Due to this, most services it provided were suffering to some degree or another, and maintenance of Rights of Way were no exception in this regard. He added also, that there was a considerable amount of "deskwork" involved with issues relating to Rights of Way including the serving of legal notices and the making of Orders, which as well as being time consuming also involved work being undertaken by the Legal Department in respect of the drafting of these legal documents.

A Member referred to page 185 of the report and a performance indicator (P.I.) that had dipped in terms of previous performance in this area of work, ie that the average number of calendar days to deliver a Disabled Facilities Grant for children and young people was taking longer than previously was the case. He asked if this was due to ongoing problems being experienced with regard to OT Assessments.

The Corporate Director Communities advised that this area of work had transferred from his Directorate to the Operational and Partnership Services Directorate. The main problem associated with this P.I., was that there had been a backlog of work that had accumulated in this area due to staffing limitations, coupled with an increase in OT Assessments. Staff were working hard however to clear this, and he was hopeful that the P.I. would improve in the future.

The Chief Executive added that the P.I. was also measured in an unconventional way in that it commenced from the date when the work was applied for, but did not end until the grant was actually signed off. The P.I. was also hindered by the fact that different areas of this work was covered by different Directorates, which affected continuity of the work as well as complete ownership of the P.I. The P.I. would also be affected if individuals who had secured a grant did not subsequently undertake the work.

A Member asked why there had been an overspend in respect of the Bridgend bus station.

The Corporate Director Communities confirmed that he would find out the reason for this, and come back to the Member outside of the meeting.

Education and Family Support

The Group Manager Business, Strategy and Performance explained that in terms of performance the report reflected a very positive picture overall with various P.I.'s mostly being on track, and this had been the trend the last few years. The RAG status confirmed that 23 of the traffic light symbols were showing green with only 8 showing red (not currently on target). In respect of the Education Department, some very challenging targets had been set through the Central South Consortia, and though some of these were showing as red, this category of P.I.'s had improved from previous periods.

A Member referred to page 159 of the report and one P.I. that was showing red, ie to provide 14 – 19 year olds with the advice they need to ensure they engage in the right type of qualification for them. She noted that this P.I. had failed as the commitment to it had now been cancelled. She asked the Officer to expand upon the reasons for this.

The Group Manager Business, Strategy and Performance expanded upon the comment shown in the report next to the P.I., confirming that the commitment had been cancelled as WEST (Wales Essential Skills Toolkit) implementation was now being pursued at a local rather than national level, through the Minister's priorities for 2016-17. As a result of this change, the Directorate would now include appropriate activities in its 2016-17 Business Plan. Implementation of this activity had been provided locally/regionally with variable success across Wales, and this was one of the reasons why the implementation was now being taken forward at a national level.

The Deputy Leader advised that one of the difficulties secondary schools had faced in terms of giving career advice and guidance to pupils, was that they had previously relied on support from 'Careers Wales' a Welsh Government organisation who assisted them significantly by providing this added support. However, Careers Wales had been affected by budget cuts, and schools now had to provide this information to pupils themselves. Schools were therefore working with Careers Wales to train staff at schools to be better equipped to provide this specialist advice in the future.

A Member noted that levels of sickness absence in the Directorate were not very good, and that up to 63% of Return to Work Interviews for staff that came back to work after a period of absence were not completed. He added that this statistic was worse in schools.

The Deputy Leader confirmed that he would look into this further, though he added that sickness absence levels across all service areas in the Authority needed to be addressed with a view to improving current levels. He would raise this issue in schools through their Head teachers and School Governing bodies.

The Group Manager Business, Strategy and Performance confirmed that management in the Directorate worked proactively to look to improve both sickness absence levels and the completion of Return to Work interviews, and all Managers were being challenged to securing these improvements. This included putting effective support mechanisms in place to encourage staff to return to work after a period of sickness absence sooner rather than later, wherever this was possible. Managers were also looking at certain "hotspot" areas of the Directorate where sickness absence levels were higher than others. Managers were also adopting more consistency in terms of dealing effectively with absence than had previously been the case, in order to tackle the problem by adopting an approach that was consistent (and fair) across all Sections of

the Department. With regard to schools, the day to day responsibility in respect of sickness absence was primarily the responsibility of the Head teacher and the School's Governing Body. Schools were also governed by the Local Authority's Sickness Absence Policy, and they were required to ensure that the protocols and provisions of this Policy were complied with.

The Chief Executive added that the Council's CPA were examining ways within which Return to Work interviews were undertaken consistently across the whole of the Authority. There wasn't any protocol in place however, that could effectively measure the quality of Return to Work interviews by the Manager who was responsible for the employee who had been absent from work due to being unwell. He added that schools were autonomous to a degree, in that they operated externally to other service areas of the Council. Notwithstanding this though, he periodically contacted all schools to ensure that Return to Work interviews were carried out.

The Deputy Leader advised Committee that he would also link in with schools to ensure that they are once more reminded of their obligations in relation to sickness management, and also advise them that they need to put adequate procedures in place that will look to achieve an improvement in sickness absence statistics. He acknowledged that sickness absence in schools could be improved upon, but added that the percentage of absenteeism in the Wellbeing Directorate was currently worse than in schools.

A Member referred to page 165 of the report and the P.I. relating to the percentage of final statements of special education need issued within 26 weeks (EDU015a) which was showing red on the RAG status, ie target not having been reached, as the percentage was 81.7% actual with the target for 2015-16 having been set at 100%. She asked why this P.I. target had been set so high.

The Group Manager Business, Strategy and Performance confirmed that this P.I. target was very aspirational and never likely to be fully met. The reason for this, was that it included all cases processed including those where a valid exception to the 26 week timescale applied. A truer measure of the success of activities relating to this P.I. was given by EDU015b, a related P.I. also shown at page 165 of the report. The current 100% performance for this PI was identified as being a testament to the work of the Education and Family Support Directorate to ensure all statements without valid exceptions are delivered within 26 weeks.

A Member added that the welsh average for this P.I. last year was 64.5%, so therefore the Education Department were certainly not underperforming in terms of this P.I.

A Member noted from page 175 of the report that that there had been an overspend in the financial year 2015/16 regarding Coety/Parc Derwen Primary School, and she asked Invitees to explain the reason for this.

The Deputy Leader advised that he was not fully aware of the situation regarding this, in that it may be a case of a slippage and overspend or just a modest overspend. He was sure however, that there were no major issues in respect of this particular project. He assured Members that he would look into this issue however, and in turn come back to all Committee Members outside of the meeting. He was aware that the school itself was showing a deficit position, which was due to the fact that it was still growing in terms of its capacity due to its catchment area increasing in size. When the school had reached full capacity, the Deputy Leader stated that this will be reflected in the School's budget which will be more balanced and stable than perhaps now was the case.

Social Services and Wellbeing

A Member referred to page 195 of the report, and the last paragraph on that page, ie at year end Adult Social Care had showed an underspend of £648k, Children's Social Care an overspend of £433k and Sport Play and Active Wellbeing an overspend of £39k, leaving a total underspend of £186k for the Directorate. She asked the Corporate Director, Social Services and Wellbeing if she could expand upon this any further.

The Corporate Director, Social Services and Wellbeing advised that at the end of the last financial year, the Directorate had an overall underspend of £186k. She confirmed that the major overspend of £433k was due to the fact that further placements had been required in respect of Looked After Children (LAC). Despite there also being a slight overspend in another area of the Directorate, this was off-set by the larger underspend also. The overall total of underspend of £186k however, did not remain within the Directorate but was instead committed to the Corporate budget held centrally.

A Member wished to point out to the Invitees, that the Social Services and Wellbeing Directorate was the worst Directorate of the Council for managing staff sickness absence as reflected on page 59 of the report, with a target of 11.30 days per full time employee (FTE) in 2015/16, and an actual for this period of 18.63 days per FTE. He also added that the only Directorates in the Council showing an improvement in terms of sickness absence from last year were Communities and Resources. The Directorate also had the worst percentage of Return to Work forms not being completed, which was double the figure of some of the other Directorates. He suggested that an improvement was required in respect of both these work areas.

The Corporate Director, Social Services and Wellbeing accepted that sickness absence was too high in her Directorate, and she was actively looking to improve this with assistance from her Heads of Service and Managers linking in with the Human Resources Department to look at ways to improve the current situation. Cases of long term sickness absence were being concentrated upon in particular she explained, with a view to also reducing the number of these cases. She added that the Directorate were improving with regard to adhering to the sickness absence policies and procedures of the Council, including regular Return to Work interviews now being carried out, with the quality of these also being monitored.

The Chief Executive advised that the Overview and Scrutiny Committee obviously wished, as part of its role, to look at outcomes and achievements and to that end, a clearer picture would emerge later this year when a benchmarking exercise would be undertaken, examining how BCBC compared with certain other local authorities in Wales in respect of levels of sickness absence.

He added that the report before Members in respect of the Council's performance against its commitments gave for positive reading overall though, as the assessment it had received from the Wales Audit Office in terms of its performance in 2015-16 had been very good. He stated that he would welcome any interest shown by Members in attending Directorates Performance Management meetings, in order to see how performance data was collated and established.

The Cabinet Member Resources closed the debate on this item, by acknowledging that the collation of information to form P.I.'s was obviously important, as if you did not look at methods of measuring performance then you would not become aware how you were comparing with other like organisations, resulting in there being a lack of information to gauge whether or not an organisation was improving (ie in comparison to others). He reminded Members that the Council's budget had decreased by £34m in the last 4

years, however, notwithstanding this, the Authority were still aspiring to not just setting but also improving its targets. External assessments such as those given by the Wales Audit Office, confirmed that practices and processes in the Authority were sound, and that its finances were also fit for purpose. Sickness absence was difficult to manage, particularly in large organisations such as local authorities. He was confident when the appropriate comparable data became available, that there would not be a great deal of difference between levels of sickness absence in local authorities across Wales.

Operational and Partnership Services

As there were no questions in respect of the report relating to the above Directorate, the Invitees were not summoned before the meeting.

As this concluded the debate on this item, the Chairperson thanked all the Invitees for attending in turn to speak on their section of the report.

Conclusions:

1. The Committee requested that they receive a copy of the Major Claims reserve assessment in order to understand what the money is being set aside for.
2. Members also asked for a breakdown of the expenditure in the Major Claims budget of £3.1m.

Communities

3. The Committee expressed concern over the Performance Indicator for the percentage of length of Rights of Way that are 'easy to use', as well as the comments regarding staffing issues in this section. The Committee requested further information on the current staffing numbers within Public Rights of Way against the number of Km of paths that they have responsibility for in the County Borough.
4. The Committee asked for the latest figures associated with grass cutting in the County Borough.
5. The Committee asked for further explanation of the £50,000 overspend reported for Bridgend Bus Station.
6. The Committee expressed concern over the apparent acceptance of issues associated with waste collection services when a contract was nearing its end. The Committee stressed that whilst the contract was still in place, the obligations of the contract should be maintained.

Education

7. In relation to the performance indicator EDU015a, the Committee commented on the target being unachievable. Whilst recognising the need to be aspirational, Members questioned the purpose of having an unreachable target. The Committee recommended that the target be revised to a more achievable, realistic, whilst still aspirational, target given that performance is never going to reach 100%.
8. The Committee requested further explanation of the £93,000 overspend that has been spent on Coety/Parc Derwen Primary School.

Social Services and Wellbeing

9. The Committee reiterated their concerns over the level of Sickness Absence within the Social Services and Wellbeing Directorate, recommending specific focus to this service area with particular attention to how it is being managed and ensuring Return to Work forms are completed and returned.

206. FORWARD WORK PROGRAMME (FWP) 2016 - 17

The Scrutiny Officer submitted a report, that presented the Committee with its draft Forward Work Programme for 2016-17 for consideration and approval.

The report confirmed that each Overview and Scrutiny Committee under the Council's Constitution, had to set-up and publish a Forward Work Programme (as far as it is known), with this operating from May 2016 – May 2017.

The report also outlined the various Research and Evaluation Panels that would be established for the above period, for example the Budget REP.

The Scrutiny Officer reminded Members of the planning workshops that had been held in April, to enable Overview and Scrutiny Committees to carry out a review and planning exercise, as well as to a degree setting or suggesting items that could form part of each of the Committees Forward Work Programmes.

Members proposed as part of the FWP for 2016 - 17, that a Collaborative Committee Pilot subject area could be the Local Authority's potential for creating an arm's length trading company (e.g. Teckal approach), with the aim of being able to provide a range of services across the Authority on a more cost effective basis.

RESOLVED:

- (1) That Committee considered the topics for inclusion on the Committee's Forward Work Programme 2016-17.
- (2) Endorsed the 12 primary topics for inclusion on the Forward Work Programme as shown in the report's attachment at Appendix B to the report.
- (3) Noted the draft list of items that have been produced for each Scrutiny Committee shown at Appendix A to the report.
- (4) Agreed to consider the further item as detailed in the final paragraph above preceding the resolution.

207. FORWARD WORK PROGRAMME (FWP) UPDATE

The Corporate Director Operational and Partnership Services submitted a report, that presented the suggested items due to be considered at the Committee's meeting to be held on 21 September 2016, as well as presenting a list of further potential items for prioritisation at subsequent meetings for 2016-17.

The Committee were in agreement with the items suggested for the Committee's agenda for the next two scheduled meetings, however, a Member proposed that scoping be carried out on the subject of how Legal Services cross-charge other Departments.

The Scrutiny Officer confirmed that she would consider this request, and endeavour to place it as an item at a future meeting as part of the ongoing FWP.

RESOLVED: That the Committee noted the items that would be considered at its next two scheduled meetings, as well as the further two item agreed by Members.

208. CORPORATE PARENTING CHAMPION NOMINATION REPORT

RESOLVED: That having regard to the report of the Corporate Director Operational and Partnership Services, Members agreed that Councillor E. Dodd represents the Committee as an Invitee on the Corporate Parenting Cabinet Committee for the ensuing year.

209. URGENT ITEMS

None.

The meeting closed at 5.30 pm

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

21 SEPTEMBER 2016

REPORT OF THE SECTION 151 OFFICER

BUDGET MONITORING – QUARTER 1 2016-17

1.0 Purpose of this report

1.1 The purpose of this report is to provide the Corporate Resources Overview and Scrutiny Committee with an update on the Council's financial position as at 30th June 2016.

2.0 Connections to Corporate Improvement Objectives and Other Corporate Priorities

2.1 The budget monitoring report provides an overview of the current financial position and projected outturn for the year against the budget approved by Council in March 2016. The allocation of budget determines the extent to which the Council's corporate improvement priorities can be delivered.

3.0 Background

3.1 On 10th March 2016, Council approved a net revenue budget of £254.891 million for 2016-17, along with a capital programme for the year of £43.553 million, which was recently revised to £49.530 million. As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

4.0 Current Situation

4.1 Summary financial position at 30th June 2016.

4.1.1 The Council's net revenue budget and projected outturn for 2016-17 is shown in Table 1 below.

Table 1- Comparison of budget against projected outturn at 30th June 2016

Directorate/Divisions	Revised Budget 2016-17 £'000	Projected Outturn 2016-17 £'000	Projected Over / (Under) Spend Qtr 1 2016-17 £'000	Projected Over / (Under) Spend Qtr 1 2015-16 £'000
Directorate				
Education and Family Support	108,202	108,489	287	7
Social Services and Wellbeing	59,650	59,899	249	60
Communities	24,677	25,083	406	145
Operational and Partnership Services	14,900	14,773	(127)	(79)
Chief Executives and Finance	4,318	4,067	(251)	(140)
Total Directorate Budgets	211,747	212,311	564	(7)
Council Wide Budgets				
Capital Financing	10,128	10,128	0	0
Precepts and Levies	6,959	6,959	0	0
Sleep Ins	800	800	0	0
Council Tax Reduction Scheme	14,304	13,904	(400)	0
Insurance Costs	1,559	1,559	0	0
Building Maintenance	900	900	0	(100)
Centrally held Budget Pressures	1,394	1,394	0	0
Other Corporate Budgets	7,100	7,100	0	0
Total Council Wide Budgets	43,144	42,744	(400)	(100)
Total	254,891	255,055	164	(107)

- 4.1.2 The overall projected position as at 30th June 2016 is a net over spend of £164,000, comprising £564,000 net over spend on directorates and £400,000 under spend on corporate budgets. A detailed analysis of the more significant projected under and over spends is set out in section 4.3.
- 4.1.3 The net budget for the financial year assumes full implementation of the current year budget reduction requirements across the Council's budget which amount to £7.477 million. Where proposals to meet this requirement have been delayed or are not achievable directorates have been tasked with identifying alternative proposals to meet their requirements such as vacancy management, or bringing forward alternative budget reduction proposals.
- 4.1.4 In March 2016 Council approved the Medium Term Financial Strategy (MTFS) for 2016-17 to 2019-20. This identified the need to develop recurrent budget reduction proposals, based on the most likely scenario, amounting to around £35.5 million over the next four years. Against that background it is essential that expenditure is kept within the overall approved budget and that longer term proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges which lie ahead.

4.1.5 At year end consideration will be given to requests from directors to carry forward any planned directorate under spends for specific purposes into the following year, in line with the Council's Reserves and Balances Protocol, as long as these can be met from within the Council's cash limited budget for 2016-17. This is in line with the reports to Cabinet and Council on the MTFs, and the Council's Financial Procedure Rules. Similarly, consideration will be given to any over spends to determine whether these should be carried forward as a first call on the directorate budget for the following year. Finally, outstanding prudential borrowing will be repaid, where possible, to reduce future capital financing charges. However, a decision will not be made until towards the end of the financial year when the overall outturn position is more definite.

4.2 Monitoring of Budget Reduction Proposals

Budget Reductions 2015-16

4.2.1 A report was presented to Cabinet on 5th July 2016 on Financial Performance 2015-16. In the report it was highlighted that, of the £11.225 million budget reduction proposals for 2015-16, £2.692 million were not met in full, with a shortfall in the financial year of £1.909 million. The report stated that these proposals would continue to be monitored alongside current year proposals, with mitigating action to achieve them identified. A summary of the latest position is attached as Appendix 1, which shows that while positive progress has been made, there remains an ongoing shortfall of £1.172 million in 2016-17 against these specific proposals.

4.2.2 As outlined in the Medium Term Financial Strategy reports to Cabinet and Council, MTFs Principle 12 states that *"Resources are allocated to deliver the Bridgend Change Programme based on clear strategic plans that are kept under review by Corporate Directors to maintain alignment with the MTFs and a MTFs Budget Reduction Contingency will be maintained"*. Corporate Management Board has agreed criteria for establishing the MTFs Budget Reduction Contingency as an earmarked reserve, to provide interim funding for reductions still not likely to be achieved in 2016-17 due to factors outside the Council's control, for example procurement issues and unforeseen consultation requirements. A current total of £333,000 has been transferred to the earmarked reserve in 2016-17 and will be used to partly mitigate the shortfalls on the following budget reduction proposals in this financial year.

COM 1	MREC	£150,000
COM 11	Blue Badges	£83,000
CH 9	School Transport	£100,000

Directorates are seeking to identify mitigating actions to meet the balance of the budget reduction shortfalls in this financial year. In the longer term, these proposals must be realised or must be met through alternative budget reduction proposals in order to deliver a balanced budget position. These will continue to be closely monitored and draw down from this contingency fund will be made as part of the period 6 review of earmarked reserves.

Budget Reductions 2016-17

4.2.3 The budget approved for 2016-17 included budget reduction proposals totalling £7.477 million, which is broken down in Appendix 2 and summarised with a RAG status in Table 2 below. In comparison, the budget reduction requirement for 2015-16 was £11.225 million and at quarter 1, 85% of the total value of proposals were green, 8% (£834,000) amber and 7% (£815,000) red. For 2016-17 Amber and Red proposals account for almost one quarter of overall proposals, and both the total and overall percentage of reductions is higher than for 2015-16. Given the scale of budget reductions, any non-achievement will have a significant impact on the outturn position.

Table 2 – Monitoring of Budget Reductions 2016-17

DIRECTORATE	GREEN		AMBER		RED		TOTAL	
	£'000	%	£'000	%	£'000	%	£'000	%
Education and Family Support	482	49%	44	5%	450	46%	976	13%
Social Services and Wellbeing	1,717	58%	710	24%	557	19%	2,984	40%
Communities	1,092	79%	285	21%	0	0%	1,377	18%
Operational and Partnership Services	969	98%	16	2%	0	0%	985	13%
Chief Executive	157	72%	60	28%	0	0%	217	3%
Council Wide Budgets	938	100%	0	0%	0	0%	938	13%
TOTAL	5,355	72%	1,115	15%	1,007	13%	7,477	100%

4.2.4 Five of the proposals are currently RED, totalling £1.007 million. Three are in the Education and Family Support Directorate (total £450,000) and relate to the over spends on home to school / college transport, particularly in respect of school transport route efficiencies and rationalisation of special educational needs transport. The remaining two proposals are in the Social Services and Wellbeing Directorate, relating to the reduction in numbers of Looked After Children (£357,000), and the Remodelling of Children's Respite Care (£200,000).

4.2.5 Thirteen of the savings proposals are AMBER, totalling £1.115 million. The most significant are:

- To develop a delivery model for Bridgend Resource Centre (£108,000) – unlikely to be achieved in 2016-17 but plans still being developed for consideration.
- Transfer of Family Care Service to Community Hubs (£210,000) – full year saving unlikely, but plans progressing to achieve part year saving.
- Changes to Social Services workforce (£100,000) – still requires permanent staff restructuring to meet savings target, but some will be met in year through vacancies.
- Lease of Raven's Court building (£195,000) – tenant still to be secured for the building. There is a risk that this could become red if a tenant is not secured within the next few months.
- Put some aspects of Council Tax and Housing Benefits on line (£60,000) – delay in implementing Channel Shift will prevent full savings being achieved in this financial year.

4.2.6 Directors continue to work with their staff to deliver their proposals or alternatives and this is reflected in the forecast outturn for the year.

4.3 Commentary on the financial position as at 30th June 2016.

A summary of the financial position for each main service area is attached as Appendix 3 to this report and comments on the most significant variances are provided below. At this stage in the financial year there has been no draw down on earmarked reserves by any directorate, but the position will be reviewed at the half year stage.

4.3.1 Education and Family Support Directorate

The net budget for the Directorate for 2016-17 is £108.202 million. Current projections indicate an over spend of £287,000 at year end. The main variances are:

EDUCATION & FAMILY SUPPORT DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Inter Authority Recoupment	126	(216)	(342)	-271.4%
School Improvement	948	852	(96)	-10.1%
Home to School / College Transport	3,860	4,568	708	18.3%

Inter Authority Recoupment

- There is currently an under spend of £302,000 projected on the education budget for out of county placements, due to a reduction in the number of placements, from 28 in March 2016 to 25 currently, as pupils are brought back in-County to be educated. Alongside this, the authority is projecting an additional £39,000 income in respect of pupils from other local authorities attending this authority's schools.

School Improvement

- This under spend relates to a delay in appointments to the Development Team, which will support the strategic review of schools. The process is currently underway and appointments should be made shortly.

Home to School / College Transport

- There is a projected over spend on the Home to School Transport budget of £708,000, of which £258,000 relates to over spends in 2015-16. The 2015-16 MTFS savings were not fully achieved partly from the limited rationalisation of contracts because of increases in the number of pupils eligible for transport, which is outside of the control of the local authority and difficult to predict with accuracy. In addition, route efficiencies were not fully realised as the agreed change to the Learner Travel policy by Cabinet will not be implemented until September 2016 and this will not bring the same level of savings as were originally identified.
- Further efficiencies to SEN and Looked After Children (LAC) transport have been pursued but have been impacted by some increased demand for individual transport due to the needs of individual children and our duty as a Local Authority to ensure that they are transported in line with our statutory responsibilities and our current Learner Travel policy. Additional MTFS

proposals for 2016-17 of £450,000 have added to this pressure. The over spend has been partly mitigated by a contribution of £100,000 from the MTFB Budget Reduction Contingency reserve, as outlined in 4.2.2.

4.3.2 Social Services and Wellbeing Directorate

The Directorate's net budget for 2016-17 is £59.650 million. Current projections indicate an over spend of £249,000 at year end. The main variances are:

SOCIAL SERVICES AND WELLBEING DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Older People Residential Care	8,040	7,761	(279)	-3.5%
Assessment & Care Mgt – Older People and Physical Disabilities	3,468	2,966	(502)	-14.5%
Learning Disabilities Residential Care	1,383	1,953	570	41.2%
Learning Disabilities Day Opportunities	3,078	2,783	(295)	-9.6%
Mental Health Residential Care	1,065	877	(188)	-17.7%
Administrative and Central Services	763	980	217	28.4%
Looked After Children	10,440	11,307	867	8.3%

Older People Residential Care

- There is a projected under spend of £279,000 as a result of staffing vacancies and an anticipated reduction in the number of nursing placements over the coming year, for which the Council pays the care element. These placements are also reducing as trends suggest a greater demand for homecare.

Assessment and Care Management

- There is a projected under spend of £363,000 on assessment and care management for older people, and £139,000 on assessment and care management for people with physical disabilities, arising mainly from staff vacancies pending new appointments and corresponding under spends on car allowances.

Learning Disabilities Residential Care

- A projected over spend of £570,000 is likely as a result of the transfer of clients from children to adults services. It is currently estimated that by the end of the financial year there will be an additional 5 clients transferred from children's services. However, given the existing pressures on the Looked After Children budget, it is not feasible to reduce that budget to offset these costs.

Learning Disabilities Day Opportunities

- There is currently a projected under spend of £295,000 arising from staff vacancies pending new appointments. It is anticipated that most of these vacancies will be appointed to going forward.

Adult Mental Health Services

- A projected under spend of £188,000 on residential care is likely as a result of higher income than anticipated both from client contributions and the Health authority, where provision is made under section 117 of the Mental Health Act 1983.

Administrative and Central Services

- There is a projected over spend of £217,000 on administrative and central services relating to MTFs budget reductions not achieved to date. This is in respect of both 2015-16 and 2016-17 budget reductions, and is currently being mitigated in the main from vacancies held across the rest of the directorate.

Looked After Children (LAC)

- There is a projected over spend of £867,000 on looked after children. The number of LAC at the end of May was 394 compared to 382 at the end of March 2016. In addition there are currently 5 pupils educated out of county in specialist establishments for whom there is a care element that is funded by the Safeguarding and Family Support service, although they are not classed as LAC. These costs are built into the projected over spend.

4.3.3 Communities Directorate

The net budget for the Directorate for 2016-17 is £24.677 million and the current projection is an anticipated over spend of £406,000. The main variances are:

COMMUNITIES DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Facilities Management	1,210	1,310	100	8.3%
Waste Disposal	5,120	5,432	312	6.1%
Waste Collection	1,214	1,154	(60)	-4.9%
Transport and Engineering (Client and Business)	(439)	(276)	163	-37.1%
Adult Education	182	107	(75)	-41.2%

Facilities Management

- There is a projected over spend of £100,000 in relation to MTFs savings to be generated from the lease of Raven's Court. A tenant has still to be secured for the building, and the projection assumes only half year occupancy. If a tenant is not secured in the next quarter, the over spend will increase.

Waste Disposal

- The MREC saving of £300,000 for 2015-16 was not achieved and is unlikely to be achieved in 2016-17. This has been partly mitigated by a contribution of £150,000 from the MTFs Budget Reduction Contingency reserve, as outlined in 4.2.2. In addition there are additional tonnage costs of £382,000 offset by savings from the interim Anaerobic Digestion (AD) procurement project of £220,000.

Waste Collection

- The 2015-16 MTFS saving of £50,000 relating to the public purchasing their own black bags is not achievable, but has been offset by a full year saving generated by the closure of the Household Waste and Recycling Centre (HWRC) site in Ogmore.

Transport and Engineering

- There is a projected over spend of £163,000 on transport and engineering due to delays in the implementation of car park budget reductions for 2015-16, in particular the proposal to charge for blue badges (£165,000). Whilst this has been partly mitigated by a contribution of £83,000 from the MTFS Budget Reduction Contingency reserve, there are also over spends relating to historical staff car park income shortfalls (£50,000) and internal fee shortfalls (£20,000).

Adult Education

- There is a projected under spend across the service of £75,000 due to staff vacancy management.

4.3.4 Operational and Partnership Services Directorate

The net budget for the Directorate for 2016-17 is £14.900 million and current projections anticipate an under spend against this budget of £127,000. The main variances are:

OPERATIONAL AND PARTNERSHIP SERVICES DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Human Resources and Organisational Development	2,139	2,034	(105)	-4.9%
Transformation Team	239	217	(22)	-9.2%

Human Resources and Organisational Development

- The under spend relates to vacancy management in preparation for future MTFS savings.

Transformation Team

- The under spend is as a result of vacancies within the team.

4.3.5 Chief Executive's Directorate

The net budget for the Directorate for 2016-17 is £4.318 million and current projections anticipate an under spend against this budget of £251,000. The main variances are:

CHIEF EXECUTIVES	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	

Chief Officers	645	505	(140)	-21.7%
Accountancy	1,443	1,406	(37)	-2.6%
Housing Benefits Administration	695	648	(47)	-6.8%

Chief Officers

- The under spend of £140,000 relates to the vacant staffing budget following the departure of the Corporate Director Resources. This is being held in preparation for future MTFS savings.

Accountancy

- The under spend of £37,000 relates to staffing vacancies which are being held in preparation for future MTFS savings.

Housing Benefits Administration

- The under spend of £47,000 relates to staffing vacancies which are being held in preparation for future MTFS savings

4.3.6 Council Wide budgets

This section of the accounts includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The budget is £43.144 million and the projected outturn is £42.744 million, resulting in a projected under spend of £400,000. The main variance is detailed below:

COUNCIL WIDE BUDGETS	Net Budget	Outturn	Variance Over/(Under) Budget	% Variance
	£'000	£'000	£'000	
Council Tax Reduction Scheme	14,304	13,904	(400)	-2.8%

Council Tax Reduction Scheme

- The projected under spend of £400,000 is a result of lower demand than forecast for the Council Tax Reduction Scheme. This a demand led budget which is based on full take up, but actual take up is not known until year end. The projection is based on take up at the end of June 2016. Budget reductions are planned for future years.

It should be noted that this projection could change significantly during the financial year, depending on the total cost of redundancies incurred during the financial year, the extent of inclement weather, inflationary changes, and demands on the Council Tax Reduction Scheme. At this point early in the financial year it is prudent to assume that all other budgets will be fully spent by year end.

These budgets are currently being reviewed as part of the MTFS 2017-18 to 2020-21 and will be subject to significant reductions over the life of the MTFS.

4.4 **Capital programme monitoring**

- 4.4.1 This section of the report provides Members with an update of the Council's capital programme for 2016-17. The original budget approved by Council on 10th

March 2016 was revised and approved by Council in May and again in July to incorporate budgets brought forward from 2015-16, budgets carried forward into 2017-18, and any new schemes and grant approvals. The revised programme totalled £49.530 million, of which £35.378 million is met from BCBC resources with the remaining £14.152 million coming from external grants.

- 4.4.2 Appendix 4 provides details of the individual schemes within the capital programme, showing the budget available in 2016-17 compared to the projected spend. Commentary is provided detailing any issues associated with these projects.
- 4.4.3 Following approval of the revised capital programme by Council on 6th July 2016, no further revisions are necessary at this stage. At this point in the financial year, and following discussions with directorates, it is assumed that all other projects will be in line with the budget as set out in Appendix 4. However, this will depend upon scheme progress during the financial year and any inclement weather experienced, which may place additional pressure on project timescales.

5.0 Effect upon policy framework & procedural rules

- 5.1 As required by section 3 (budgetary control) of the Financial Procedure Rules; Chief Officers in consultation with the appropriate Cabinet Member are expected to manage their services within the approved cash limited budget and to provide the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control.

6.0 Equality Impact Assessment

- 6.1 There are no implications in this report.

7.0 Financial implications

- 7.1 These are reflected in the body of the report.

8.0 Recommendations

The Committee is requested to note the projected revenue and capital outturn position for 2016-17 and provide any comments.

Randal Hemingway
Head of Finance & Section 151 Officer
July 2016

Contact Officer

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Background Papers

Individual Directorate Monitoring Reports
Report to Council 10th March 2016
Report to Council 6 May 2016

MONITORING OF 2015-16 BUDGET REDUCTION PROPOSALS

Ref.	Budget Reduction Proposal	Original 2015-16 £000	Current RAG Status (RAG)	Amount of saving likely to be achieved 2016-17 £000
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EDUCATION & FAMILY SUPPORT**EDUCATION**

CH3	Retender Learner Transport contracts	400		363
CH4	Rationalise Special Education Needs transport	100		0
CH9	School transport route efficiencies	200		80
Total Education and Family Support		700		443

ADULT SOCIAL CARE

ASC2	Support increased independence through enablement and progression in Learning Disability services	220		220
ASC6	Management, Admin and Training Implement measures to achieve 7% and 5% across the 2 years	215		115
ASC7	Reprovision and remodelling of Shared Lives	135		135
ASC8	Reduction in sickness across services	50		50
Total Adult Social Care		620		520

SAFEGUARDING AND FAMILY SUPPORT

CH22	Remodelling of Childrens Residential Care	200		0
CH20B	Review all temp posts across the directorate/Vacancy Management	50		50
Total Safeguarding and Family Support		250		50
Total Social Services & Wellbeing Directorate		870		570

COMMUNITIES

COM1	Procure by competitive tendering and in accordance with the provisions of a MOU between BCBC and NPTCBC, a contractor to operate and managing the MREC	300		0
COM6	Review of public conveniences	50		40
COM7	Review of Grounds Maintenance & Bereavement Services	437		437
COM8	Review of car parking charges - staff and long/short term stay car parks	60		0
COM10	Public to purchase their own black refuse bags to an appropriate specification.	50		0
COM11	Implementation of charging for Blue Badge Holders for Car Parking	165		0
COM13	Review of School Crossing Patrol service in line with GB standards.	60		30
Total Communities Directorate		1,122		507

GRAND TOTAL		2,692		1,520
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2016-17 Budget Reductions Monitoring

APPENDIX 2

MONITORING OF 2016-17 BUDGET REDUCTIONS

Ref.	Improvement Priority 2016-20	Budget Reduction Proposal	Original 2016-17 £000	Current RAG Status (RAG)
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EDUCATION & FAMILY SUPPORT

CENTRAL EDUCATION & FAMILY SUPPORT

CH1	IP1	Out of County budgets - reduction of Education costs by returning children with additional needs to in-house provision with additional support if required	200	
CH2	IP2	Youth Offending Service Collaboration	95	
CH3	IP3	Retender Learner Transport contracts	100	
CH4	IP3	Rationalise Special Education Needs transport	150	
CH9	IP3	School transport route efficiencies	200	
CH15	IP3	Staff Restructure - Inclusion and Additional Learning Needs	100	
CH36	IP3	Saving on premises budget due to amalgamation of SEN services	30	
CH40	IP3	Reduction in cost of Central South Consortium arising from efficiencies generated from transfer of additional services.	35	
RES30	IP3	To review the Resources Directorate Service Level Agreement with Schools	44	44
RES40	IP3	Change Out of Hours Service provided by Built Environment	22	
		Total Education and Family Support	976	

SOCIAL SERVICES & WELFARE

Theme 1 - Remodel Service Delivery				
ASC1	IP2	Focus local authority homecare on specialist and complex care	250	
ASC2	IP2	Support increased independence through enablement and progression in Learning Disability services	40	
ASC3	IP2	Link the work on the new assessment framework to the new national eligibility criteria as part of the Social Services and Wellbeing Act ensuring timely	662	
ASC7	IP2	Reprovision and remodelling of Shared Lives	50	
ASC9	IP3	Review CHC-eligible cases to secure appropriate contribution to packages of care	118	
ASC19	IP3	Develop a Delivery Model for the Bridgend Resource Centre	108	

2016-17 Budget Reductions Monitoring

Ref.	Improvement Priority 2016-20	Budget Reduction Proposal	Original 2016-17 £000	Current RAG Status (RAG)
ASC21	IP3	Transfer Family Care Service to the Community Hubs	210	
HL5	IP3	Library Service Options appraisal and implementation of agreed service model	150	
HL6	IP3	Development of arts venues trust	100	
ASC5	IP3	Service efficiencies - work related schemes	67	
CH25	IP2	Reduction in Safeguarding LAC numbers and related reduction in costs	357	
Theme 1 - Remodel Service Delivery - sub-total			2,112	
Theme 2 - Service Efficiencies				
ASC6	IP3	Management, Admin and Training Implement measures to achieve 7% and 5% across the 2 years	76	
ASC12	IP3	Continued efficiencies within LD Day Services	36	
ASC15	IP3	Achieve transport efficiencies	18	
ASC23	IP3	Changes in Workforce	100	
CH22	IP2	Remodelling of Children's Respite Care	200	
HL 2	IP3	Review Healthy Living Partnership Contract	181	
HL3	IP3	Continued savings associated with the Halo leisure partnership	80	
HL5	IP3	Transfer management of Porthcawl dual use hall to school management	12	
Theme 2 - Service Efficiencies - sub-total			703	
Theme 3 - Income Generation				
ASC10	IP3	Develop income stream for specialist Mental Health placements at Glyn Cynffig	15	
ASC20	IP3	Introduce charges for supplementary holiday support in Learning Disabilities	100	
ASC22	IP3	Income Generation at Bryn y Cae	54	
Theme 3 - Income Generation			169	
Total Social Services & Wellbeing Directorate			2,984	
COMMUNITIES				
COM4	IP1	Review staffing structures within the Communities Directorate to identify possible savings	260	
COM7	NONPTY	Review of Grounds Maintenance & Bereavement Services	69	
COM9	IP3	Review of Highways maintenance/DLO Services	417	
COM16	NONPTY	Review of supported bus services	15	
COM18	NONPTY	15% Increase in planning application fees in line with Welsh Government guidelines	75	

2016-17 Budget Reductions Monitoring

Ref.	Improvement Priority 2016-20	Budget Reduction Proposal	Original 2016-17 £000	Current RAG Status (RAG)
COM21	IP3	Review of overtime across Highways/Streetscene	90	
COM32	IP3	Implementation of Digital working and Touch screens in Workshop equating to a saving of 0.5FTE	12	
COM33	NONPTY	Review of all budget heads in Business Support creating less resilience for unexpected expenditure	25	
HL4	IP3	Review of Lifeguard services to consider length of season and beach coverage.	23	
RES19	IP3	To increase non-operational estate income	5	
RES21	IP3	To rationalise the core office estate - disposal of Sunnyside	191	
RES29	IP3	To rationalise the core office estate - leasing of Raven's Court	195	
		Total Communities Directorate	1,377	

OPERATIONAL AND PARTNERSHIP SERVICES

LRS1	IP3	Public Protection Collaboration	181	
LRS2	IP3	Restructure of Legal & Democratic, Performance & Partnership Services.	70	
LRS3	IP3	Increase income targets Registrars	66	
LRS4	IP3	Staff reductions already made	81	
HUMAN RESOURCES				
RES12(b)	IP3	Reduce CCTV Services Operations	30	
RES13	IP3	To reduce number of staff in HR, OD and Communications and business support	95	
RES15	IP3	To publish County Bulletin and Bridgenders electronically only	16	
RES36	IP3	To reduce DBS checks budget	10	
HOUSING				
COM28	NONPTY	Review of Housing budgets for efficiency savings in 2016/17. Saving in 19/20 from Homelessness Budget (fully committed until this year)	56	
ICT				
RES3	IP3	To reduce costs of ICT systems	192	
RES7	IP3	To reduce the number of ICT service staff	18	
RES34	IP3	To repay prudential borrowing on ICT capital	170	

2016-17 Budget Reductions Monitoring

Ref.	Improvement Priority 2016-20	Budget Reduction Proposal	Original 2016-17 £000	Current RAG Status (RAG)
Total Operational and Partnership Services			985	

CHIEF EXECUTIVE FINANCE

RES1	IP3	To reduce the number of Finance and accountancy staff	51	
RES4	IP3	To reduce the number of Internal Audit hours commissioned from joint service	19	
RES27	IP3	To put Council Tax and some aspects of benefits online and to collaborate with others	60	
RES28	IP3	To secure reductions in External Audit Fees	87	
Total Chief Executive			217	

CORPORATE / COUNCIL WIDE

CS1	NONPTY	Rationalise and reduce voluntary sector funding by 5%	15	
CS3	NONPTY	Reduction in provision for corporate building maintenance	200	
CS5	NONPTY	Review capital financing budgets, including increase in investment income	300	
CS7	NONPTY	Reduction in the Coroner's precept	23	
CS9	NONPTY	Reductions in Insurance Premiums	100	
CS13	NONPTY	Reduction in provision for Council Tax Reduction Scheme	300	
Total Corporate / Council Wide			938	

GRAND TOTAL REDUCTIONS

7,477

BRIDGEND COUNTY BOROUGH COUNCIL	Budget 2016-17			Projected Outturn	Projected Variance Over/(under) budget	% Variance
	Expenditure Budget	Income Budget	Net Budget			
	£000	£000	£000			
				£000	£000	
EDUCATION AND FAMILY SUPPORT						
Learning	10,880	(3,172)	7,708	7,354	(354)	-4.6%
Strategic Partnerships & Comm	127,948	(28,616)	99,332	99,973	641	0.6%
Built Environment	5,726	(4,727)	999	999	-	0.0%
School Modernisation	163	-	163	163	-	0.0%
TOTAL EDUCATION AND FAMILY SUPPORT	144,717	(36,515)	108,202	108,489	287	0.3%
SOCIAL SERVICES AND WELLBEING DIRECTORATE						
Adult Social Care	55,135	(15,371)	39,764	39,201	(563)	-1.4%
Sport, Play and Active Wellbeing	3,194	(861)	2,334	2,298	(36)	-1.5%
Safeguarding & Family Support	18,907	(1,355)	17,552	18,400	848	4.8%
TOTAL SOCIAL SERVICES AND WELLBEING	77,236	(17,587)	59,650	59,899	249	0.4%
COMMUNITIES DIRECTORATE						
Regeneration & Development	3,911	(1,732)	2,178	2,144	(34)	-1.6%
Street Scene	35,569	(18,330)	17,238	17,653	415	2.4%
Directorate Support/Contingent Provision	522	-	522	522	-	0.0%
Culture	3,605	(204)	3,401	3,326	(75)	-2.2%
Property Services	3,948	(2,742)	1,206	1,306	100	8.3%
Elections	132	-	132	132	-	0.0%
TOTAL COMMUNITIES	47,686	(23,009)	24,677	25,083	406	1.6%
OPERATIONAL & PARTNERSHIP SERVICES DIRECTORATE						
Legal Services and Democratic Services	4,356	(326)	4,030	4,030	-	0.0%
Regulatory Services	1,932	(477)	1,455	1,455	-	0.0%
Performance and Partnerships	319	-	319	319	-	0.0%
Transformation	239	-	239	217	(22)	-9.2%
ICT	4,441	(742)	3,699	3,699	-	0.0%
Human Resources	4,341	(511)	3,830	3,725	(105)	-2.7%
Housing and Homelessness	6,047	(4,718)	1,329	1,329	-	0.0%
TOTAL OPERATIONAL & PARTNERSHIP SERVICES	21,674	(6,774)	14,900	14,773	(127)	-0.9%
Chief Executives						
Chief Executive	645	-	645	505	(140)	-21.7%
Finance	53,453	(50,152)	3,301	3,236	(65)	-2.0%
Internal Audit	373	(1)	372	326	(46)	-12.4%
TOTAL CHIEF EXECUTIVES	54,471	(50,153)	4,318	4,067	(251)	-5.8%
TOTAL DIRECTORATE BUDGETS	345,784	(134,037)	211,748	212,310	564	0.3%
Council Wide Budgets	44,181	(1,037)	43,144	42,744	(400)	-0.9%
NET BRIDGEND CBC	389,965	(135,074)	254,892	255,054	164	0.1%

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Main Scheme	Whole Scheme Budget £'000	Total Costs to 31.03.2016 £'000	Qtr 1 Budget 2016-17 (July 2016) £'000	Total Expd to Qtr 1 2016-17 £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000	Comments
Education & Family Support								
Pen Y Fai Primary School	7,239	6,835	404	-36	404	0	0	Scheme is completed - compensation payment and payment to landowner expected in 2016/17. Budget provision in 2016/17
Mynydd Cynffig Primary School Extension	7,050	2	672	26	672	0	0	
Mynydd Cynffig Primary Highways Work	700	0	700	0	700	0	0	
Y Dderwen Comprehensive School	39,488	39,333	155	0	155	0	0	Scheme completed - final amounts to be paid
Coety Primary School	8,560	8,453	107	-109	107	0	0	Scheme completed - final account to be paid in current year
Tondu Primary School Temporary Accommodation	382	353	29	0	29	0	0	To be transferred to school modernisation retentions budget
West Park Primary School Temporary Accommodation	250	202	48	-4	48	0	0	Final retention amount - to be paid in current year
Ogmore Comprehensive Additional Learning Needs	4,120	4,055	65	-96	65	0	0	Final retention amount - to be paid in current year
Garw Valley South Primary Provision	10,000	734	3,698	42	3,698	0	0	
Garw Valley Primary Highway Works	400	0	400	0	400	0	0	
Pencoed Primary School	8,796	104	1,296	26	1,296	0	0	
Pencoed Artificial Pitch	187	175	12	8	12	0	0	Final retention amount - to be paid in current year
Brynmenyn Primary School	7,790	35	1,992	7	1,992	0	0	
Flying Start Provision	966	934	32	-35	32	0	0	
Héronsbridge Special School	100	0	100	0	100	0	0	
Schools Modernisation Retentions	435	0	435	0	435	0	0	
Studio 34, Pyle	74	0	74	0	74	0	0	
Litchard Primary School	2,956	2,956	0	-1	0	0	0	Closing reserve to be paid in current year
Maesteg Comprehensive School Highways Improvements	500	0	500	34	500	0	0	
Schools Traffic Safety	500	0	500	7	500	0	0	
CCYD Hub	40	0	40	2	40	0	0	
Children's Directorate Minor Works	1,639	1,284	355	1	355	0	0	
Built Environment								
Solar Panels Civic Offices	40	0	40	0	40	0	0	
Total Education and Family Support	102,212	65,455	11,654	-128	11,654	0	0	
Social Services & Wellbeing								
Adult Social Care								
Refurbishment of Caretakers Lodge and Heron House	286	0	286	0	286	0	0	
Adult Social Care Minor works	121	78	43	0	43	0	0	
Sports Facilities	63	0	63	0	63	0	0	
Glan yr Afon Resource Centre	153	23	130	0	130	0	0	
Extra Care Facilities	3,000	0	3,000	0	3,000	0	0	
Modernisation and Mobilisation of the Homecare Workforce	72	0	72	0	72	0	0	
Bridgelink	300	0	30	0	30	0	0	
Total Social Services and Wellbeing	3,995	101	3,624	0	3,624	0	0	
Communities								
Street Scene								
Highways Maintenance(Capitalised Repairs)	200	0	200	0	200	0	0	

Main Scheme	Whole Scheme Budget £'000	Total Costs to 31.03.2016 £'000	Qtr 1 Budget 2016-17 (July 2016) £'000	Total Expd to Qtr 1 2016-17 £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000	Comments
Transportation Minor Works(Capitalised Repairs)	250	0	250	-16	250	0	0	
Local Govt Borrowing Initiative (Highways Infrastructure & Street Lighting)	7,885	7,801	0	-55	0	0	0	Final retentions due in current year
Replacement of Street Lighting Columns and River Bridge Protection Measures	4,000	0	400	0	400	0	0	
Road Safety	241	188	53	1	53	0	0	
Unadopted Highways	50	40	10	0	10	0	0	
Parks Pavilions	1,059	331	728	138	728	0	0	
Playground at Ffordd yr Eglwys	75	0	75	0	75	0	0	
Residents Parking Bridgend Town Centre	152	22	130	2	130	0	0	
Relocate Household Waste Recycling Centre	1,328	0	742	0	742	0	0	
Bridge Strengthening A4061 Ogmores Valley	2,450	0	150	0	150	0	0	
Street Scene Minor Works	271	29	242	2	242	0	0	
Bridgend Recreation Car Park	115	0	115	0	115	0	0	
Transport Grant Schemes	1,069	0	248	21	247	-2	-2	
Coychurch New Cremators	1,060	1,048	12	-115	12	0	0	Final retentions due in current year
Asda Link Land Compensation	50	51	0	2	2	2	2	Seeking clarification if this can be reclaimed from Asda
Regeneration & Development								
Bridgend Digital and Special Regeneration Funding	2,557	105	292	0	292	0	0	
Bridgend Town Centre Infrastructure Programme	167	131	-4	0	-4	0	0	
Bridgend Townscape Heritage Initiative	2,337	2,111	226	4	226	0	0	
Maesteg Townscape Heritage Initiative	2,161	2,149	12	0	12	0	0	
Porthcawl Townscape Heritage Initiative	969	194	705	1	705	0	0	
Bridgend Town Centre	8,790	8,787	3	0	3	0	0	
Maesteg Town Centre Regeneration Phase 4	2,802	2,747	55	0	55	0	0	
Bridgend Business Support Framework	270	110	160	3	160	0	0	Budget vired from South East Wales Local Investment scheme.
Llynfi Valley Development Programme	2,400	0	2,400	0	2,400	0	0	
Porthcawl Infrastructure	5,507	0	5,507	0	5,507	0	0	
Porthcawl Coastal Defence	567	4	567	1	567	0	0	
Vibrant and Viable Places	8,113	3,380	3,352	592	3,352	0	0	
Commercial Improvement Areas	180	18	162	4	162	0	0	
Bridgend Town Improvement Grants	0	71	-71	0	-71	0	0	To be funded from SRF
Housing Renewal Area	874	101	612	38	612	0	0	
Housing Renewal/Disabled Facilities Grants	5,687	2,228	3,459	512	3,459	0	0	
Porthcawl Rest Bay Waterside Cycle	281	19	262	75	262	0	0	
Rural Development Plan	150	0	150	0	150	0	0	
Smart System and Heat Programme	250		50	0	50	0	0	
Culture								
Bryngarw House	28	23	5	0	5	0	0	
Healthy Living Minor Works	52	27	25	0	25	0	0	
Berwyn Centre	200	0	200	0	200	0	0	
Property								
Minor Works	1,441	0	1,441	0	1,441	0	0	Includes slippage from 2015-16. To be reallocated by Corporate Property Group.
Upgrading Industrial Estates	40	23	17	0	17	0	0	
Fire Precautions	222	104	118	-15	118	0	0	

Main Scheme	Whole Scheme Budget £'000	Total Costs to 31.03.2016 £'000	Qtr 1 Budget 2016-17 (July 2016) £'000	Total Expd to Qtr 1 2016-17 £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000	Comments
DDA Works	270	211	59	-27	59	0	0	
Maximising Space and Technology / BCP	1,573	1,371	101	-73	101	0	0	
Relocation of Depot Facilities	4,376	60	4,376	-2	4,376	0	0	
Bridgend Market	20	1	19	0	19	0	0	
Non-operational assets	1,000	520	480	0	480	0	0	
Agile Working - Rationalisation of Admin Estate	1,217	16	621	-15	621	0	0	
Community Projects	741	367	191	0	191	0	0	
Civic Offices External Envelope	2,545	5	2,545	6	2,545	0	0	
Total Communities	78,042	34,393	31,452	1,084	31,452	0	0	
Operational & Partnership Services								
Investment in ICT	300	0	300	0	300	0	0	
Digital Transformation	2,500	0	2,500	0	2,500	0	0	
Total Operational & Partnership Services	2,800	0	2,800	0	2,800	0	0	
Grand Total	187,049	99,949	49,530	956	49,530	0	0	

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

DATE 21 SEPTEMBER 2016

Report of the Corporate Director Operational & Partnership Services

Procurement

1. Purpose of Report.

- 1.1 The committee has sought a report on how the Local Authority is getting best value for money on services and goods and what other local authorities are doing in the UK and wider.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 There is a direct connection to the third corporate priority – making smarter Use of resources.

3. Background.

- 3.1 The effective use of procurement in the purchasing of goods and services is bound within a domestic and European legislative framework. It is impacted by a wider legislative framework controlling the financing of Local Government and the need to ensure efficient use of public monies. Culturally however it is argued that this should be of little importance to the Authority. Of more importance is the culture of accepting that procurement simply makes good business sense. With significant cuts to the budget, proper procurement can limit the impact on services and staff.

4. Current situation / proposal.

- 4.1 The corporate procurement project has the following work streams which are intended to deliver the outcome of ensuring efficiency in the purchase of goods and services through the management of contracts and effective cross directorate overview of procurement A complete review of contract procedure rules to ensure that they are fit for purpose, are up to date and in line with the current Public Contracts Regulations 2015. The project has set up a task and finish group to review and update the internal contract procedure rules to ensure the authority has the ability to be innovative and flexible in the way it buys goods and services, removing unnecessary bureaucratic stages within the process. In it's simplest form this will include a review of the contract thresholds to ensure that procurement can be undertaken at the right level in the organisation with a balance of probity but also speed.

- In compliance with the Public Contract Regulations 2015, the Procurement Team is working with local providers to ensure that they have access to the Authority's service requirements. This encourages Small to Medium Size Enterprises to bid for business. The team also undertakes pre- procurement events to 'work with' organisations and ensure that suppliers are skilled and ready to take part in a forthcoming procurement process.
- The roll out of purchasing cards across the relevant departments in the authority. This provides an efficiency saving in the use of technology as opposed to a paper based ordering process. It has the added advantage of providing an income through commission on use and for 2015/16 provided £10530.70 - BCBC £9181.21 – Comprehensive schools £1349.49)
- EProcurement - Roll out of Basware (an electronic system providing an electronic marketplace) across the authority. The team is working closely with Finance and Welsh Government to ensure implementation. The system provides the authority with electronic access to all National Procurement Service frameworks and potentially Crown Commercial Services frameworks. It will also simplify ordering and payment processes, encourage collaborative procurement and encourage e invoicing, in line with the Minister's Welsh Procurement Policy Statement.
- The Team continues to roll out eTendering. The authority must comply with the Procurement Contract Regulations 2015 and implement full electronic tendering by April 2017. eTendering has been implemented within the corporate procurement team and also provided relevant staff within the authority with a 2 day training course to enable them to conduct requests for quotes electronically (with guidance from procurement).
- Corporate Contracts Register – Procurement has implemented this via the etenderwales portal and has provided training to relevant staff within each department ensuring knowledge on how to upload any contracts/spend. By April 2017 it will be the responsibility of each client department to maintain the Corporate Contracts Register. The register will provide better visibility of all spend across the authority. It will provide the ability to plan for renewal of contracts and ensure compliance. It will provide the ability to run specific reports on spend, local suppliers, community benefits, savings and supplier profiles to ensure that the authority is getting value for money and the quality of goods/services. It will also enable the category lead structure to work in providing sight on all spend within a category across the authority.
- Part of the review of processes has resulted in a simple 'pre tender form'. This enables the team to quickly make informed decisions on the best procurement option. It also ensures that the authority moves away from devolved procurement across the authority, treating the process as a one authority budgetary and service responsibility.

- Category management (lead)– The procurement team has recently undertaken a re-structure and implemented a category management approach to procurement. Category management is a strategic approach which organises procurement resources to focus on specific areas of spends. This enables category specialists to focus their time and conduct in depth market analysis to fully control their procurement decisions on behalf of the authority as a whole. This approach encourages joint, cross functional working to achieve innovative solutions to procuring goods and services, efficient forward work planning and to have control over not compliant and inefficient spend throughout the authority.
- A number of National Procurement Services and Crown Commercial Services framework agreements are used to conduct further competitions for our requirements, such as postal services, hand tools and equipment, PPE, I.T requirements, paper, agency workers, occupational health, rock salt, consultancy, welsh language translation, cycle to work scheme – this reduces the procurement timescales and offers greater value for money due to national collaborations that encourages the cost to be driven down by offering suppliers a larger commitment of spend. This is not simply an ‘approved contractor list’ but a series of fully procured frameworks offering the best value for money. Equally there are times when frameworks allow a ‘mini competition’ within the framework again seeking reduced spend.
- E auctions will feature more in the future as methods of procurement. Experience so far has led to an e-auction for transport providing considerable savings. The team will continue to consider auctions for relevant areas of spend.
- Non cashable savings: The team has contributed to a number of non-cashable savings by adopting the principle of getting more for less as part of a detailed, innovative specification for tendering, particularly in adult social care, supporting people, school builds and transport (e auctions). By getting more for less the authority can reduce the need for high cost services by purchasing preventative, early intervention services.

4.2 The above work is contributing to an improvement in the efficiency of the authority in the purchase of goods and services. The Authority is in a process of considerable change in the way in which services are delivered and in response to significant budget cuts. Procurement has its role to play in making those changes and delivering savings. The authority is working at a national level in the use of Wales and UK Wide procurement networks and is developing to undertake that role within a lean and efficient process. The Authority must comply with legislation and at times that can appear burdensome: however, with a culture that sees procurement as simple business sense and a strategic partner to the need to change the way in which the whole authority operates, those requirements make sense. There

is a balance to be drawn in ensuring that small spend is not bogged down in process, therefore the following procurement thresholds apply:-

- ✓ up to £25k required to request 3 quotes,
- ✓ £25k - £75k required to advertise on sell2wales (supporting the Open Doors Charter) to request 3 quotes,
- ✓ above £75k a full tender process is required up to the value of £164,176 for goods and services, £4,104,394 for works and £589,148 for social and other specific services – this is when the authority is required to adhere to the EU Directives for procurement.

4.3 The way in which we procure is without doubt changing. The closure of County Borough Supplies was not the decision of this Authority. There was a preference to modernise and re-site however; the closure is without doubt indicative of the changes taking place within procurement processes. The rise in the use of frameworks and the ability to order digitally particularly with the creation of the National Procurement Service provides a move away from traditional ordering and storage. The Authority is encouraged to utilise the NPS frameworks for all stationery, paper, janitorial products, educational products that we previously purchased from county supplies. The NPS has the ability to drive down cost on common and repetitive spend due to the high volume of spend through collaboration on a national level.

The Authority is in a good position to maintain its improvement in procurement across the Authority. The most important issue for the future is to further develop a culture within the Authority ensuring that procurement is seen as a positive force in the delivery of services and cost reduction.

5. Effect upon Policy Framework & Procedure Rules.

5.1 The work detailed within this report will impact on the contract procedure rules and procurement procedures.

6. Equality Impact Assessment

6.1 There are no equality implications in this report.

7. Financial Implications.

7.1 There are no financial implications in this report.

8. Recommendation.

8.1 To note the report.

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Background documents

None

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REPORT TO CORPORATE RESOURCES AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE

21 SEPTEMBER 2016

REPORT OF THE CORPORATE DIRECTOR – OPERATIONAL AND PARTNERSHIP SERVICES

FORWARD WORK PROGRAMME UPDATE

1. Purpose of Report

1.1 The purpose of this report is to:

- a) present the items due to be considered at the Committee's meeting to be held on 7 December 2016 and seeks confirmation of the information required for the subsequent scheduled meeting to be held on 17 January 2017;
- b) present a list of further potential items for prioritisation by the Committee.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities

2.1 The improvement priorities identified in the Corporate Plan 2016-2020 have been embodied in the Overview & Scrutiny Forward Work Programmes. The amended Corporate Plan adopted by Council on 10 March 2016 formally set out the improvement priorities that the Council will seek to implement between 2016 and 2020. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

3. Background

3.1 At its meeting 11 July 2016, the Corporate Resources and Improvement Overview and Scrutiny Committee determined its Annual Forward Work Programme for 2016/17.

4. Current Situation / Proposal

Meetings of the Corporate Resources and Improvement Overview and Scrutiny Committee

4.1 In relation to the Committee's next scheduled meeting to be held on 7 December 2016, the table below lists the items to be considered and the invitees due to attend.

Topic	Invitees	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
2016-17 Half Year Financial Performance and Half Year Corporate Plan	Cabinet and CMB All Scrutiny Chairs Randal Hemingway, Head of Finance Yuan Shen, Corporate	Authority performance including financial performance as at 30 September 2016 against 2016-17 corporate plan commitments, milestones and indicators	

Topic	Invitees	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
Performance Report	Performance, Partnership and Transformation Manager		
Directorate Budget Consultation Process	Cllr Hywel Williams, Cabinet Member - Resources Andrew Jolley, Corporate Director - Operational and Partnership Services Randal Hemingway, Head of Finance	Consideration of Directorate Budget for 2016/17	

4.2 The table below lists the item to be considered and the invitees due to attend in respect of the subsequent meeting of the Committee to be held on 17 January 2017.

Topic	Invitees	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
Budget Responses and Budget REP	Cllr Hywel Williams, Cabinet Member - Resources Andrew Jolley, Corporate Director - Operational and Partnership Services Randal Hemingway, Head of Finance	Collation of all OVSC BREP feedback and comments	Detail research / To be confirmed
Corporate Plan	Cabinet and CMB All Scrutiny Chairs Randal Hemingway, Head of Finance	Council's draft 2017-2020 Corporate Plan including its improvement priorities, revised actions and the associated commitments and indicators for 2017-18	

4.2 The table below lists all potential items that the Committee approved at their meeting on 11 July 2016, which are put to the Committee for reprioritisation as appropriate.

Topic	Proposed Date	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
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Topic	Proposed Date	Specific Information Requested	Research to be Undertaken by the Overview & Scrutiny Unit
Digital Transformation Programme	08-Feb-17	Digital Transformation - Report going to Cabinet in May, Committee's role is to assist in the design and development for the future.	Detail research / To be confirmed
Rationalising the Council's Estate including Depot Rationalisation	08-Feb-17	Originating out of the Corporate Plan – one of the five key projects/programmes under Corporate Priority 3 – Smarter Use of Resources. Rationalising the Council's Estate – Once decision made in relation to Ravens Court Committee's role to assist in developing the next phase. Depot Rationalisation relates back to 2014 where there were concerns over the budget - increase in the cost of the project and the need for consultants, the disposal of land and the gaining of a capital receipt for this.	Detail research / To be confirmed
Business Plan 2016/17	15-Mar-17	To comment on Directorate 2016-17 business plans including its actions, milestones and performance measures	Detail research / To be confirmed
2016-17 Quarter 3 Financial Performance	15-Mar-17	To review 2016-17 financial performance as at 31 December 2016	Detail research / To be confirmed

Corporate Parenting

- 4.3 Corporate Parenting is the term used to describe the responsibility of a local authority towards looked after children and young people. This is a legal responsibility given to local authorities by the Children Act 1989 and the Children Act 2004. 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.¹
- 4.4 In this role, it is suggested that Members consider how the services within the remit of their Committee affects children in care and care leavers, and in what way can the Committee can therefore assist in these areas.

¹ Welsh Assembly Government and Welsh Local Government Association 'If this were my child... A councillor's guide to being a good corporate parent to children in care and care leavers', June 2009

4.5 Scrutiny Champions can greatly support the Committee 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.

5. Effect upon Policy Framework and Procedure Rules

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

6. Equality Impact Assessment

6.1 None

7. Financial Implications

7.1 None.

8. Recommendations

8.1 The Committee is recommended to:

- (i) Note the topics due to be considered at the meeting of the Committee for 7 December 2016 and confirm if it requires any additional specific information to be provided by the invitees listed or the Overview & Scrutiny Unit;
- (ii) Determine the invitees to be invited to attend, any specific information it would like the invitees to provide as well as any research that it would like the Overview & Scrutiny Unit to undertake in relation to its following meeting scheduled for 17 January 2017;
- (iii) Revisit and consider the list of future potential items for the Committee's Forward Work Programme and reprioritise as the Committees deems appropriate.

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Background documents: None