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Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr

Bridgend County Borough Council



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

*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 643148
Gofynnwch am / Ask for: Mr Mark Anthony Galvin

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

Dyddiad/Date: Thursday, 28 September 2017

Dear Councillor,

COUNCIL

A meeting of the Council will be held in the Council Chamber, Civic Offices, Angel Street, Bridgend, CF31 4WB on **Wednesday, 4 October 2017 at 3.00 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 from Members/Officers in accordance with the Members' Code of Conduct adopted by Council from 1 September 2008.
3. Approval of Minutes 5 - 26
To receive the minutes of a meeting of Council dated 6 September 2017.
4. To receive announcements from:
(i) Mayor (or person presiding)
(ii) Members of the Cabinet
(iii) Chief Executive
(iv) Monitoring Officer
5. To receive the report of the Leader
6. Annual Report 2016-17 27 - 58
7. Capital Programme 2017-18 to 2026-27 59 - 66
8. Amendment to the Scheme of Delegations 67 - 116
9. Appointments to Council Committees and other Council Bodies 117 - 126
10. Information Reports for Noting 127 - 262

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11. Notice of Motion proposed by Councillor David White
Bridgend Borough Council has to make savings of £35.3 million over the next 4 years under the most likely scenario, due to the reduction being imposed by the UK Government, as a result of the reduction to the Welsh Government block grant funding. This is addition to the reduction in funding over the last 5 years, which amounts to £ 40 million. The unprecedented scale of reduction to the budget amounts in total to £75.3 million or equivalent of over £1000 per household within the Borough. Although, in my view this council has been subjected to a number of inspections over the last two years and no major concerns have been raised, which cannot be addressed and areas of improvement have or are being addressed. In my opinion this could put enormous pressures on our services and may mean we are unable to fulfil our statutory duties. It is my opinion Bridgend Borough Council via Welsh Government should receive a fair funding from the UK Government, so this council can achieve its goals in manner that means that our residents, who we were voted to represent. Instead of facing reductions in budgets that are having an impact on an essential range of services and could play a vital role in the health and well-being of the people we serve.

That this Council resolves:

- Bridgend condemns the potential £ £75.3 million reduction in its budget imposed by the UK Government, as a result of the reduction in the block grant funding from Westminster, to Welsh Government, which in turn means reduction to Bridgend Council budgets.
- To campaign for a fairer funding grant for Bridgend Council from UK Government.
- Bridgend Council will continue to be open and honest about the scale of the reduction and the damage they could do to our local communities.
- The leader writes to Chancellor of the Exchequer and Secretary State for Wales and requests fairer funding for Bridgend Borough Council and its residents.

12. Urgent Items
To consider any item(s) of business in respect of which notice has been given in accordance with Part 4 (paragraph 4) of the Council Procedure Rules and which the person presiding at the meeting is of the opinion should by reason of special circumstances be transacted at the meeting as a matter of urgency.

Yours faithfully

P A Jolley

Corporate Director Operational and Partnership Services

Councillors:

S Aspey
SE Baldwin
TH Beedle
JPD Blundell
NA Burnett
MC Clarke
N Clarke
RJ Collins
HJ David
P Davies
PA Davies
SK Dendy
DK Edwards
J Gebbie
T Giffard

Councillors

A Hussain
RM James
B Jones
M Jones
MJ Kearns
DRW Lewis
JE Lewis
JR McCarthy
DG Owen
D Patel
RL Penhale-Thomas
AA Pucella
JC Radcliffe
KL Rowlands
B Sedgebeer

Councillors

JC Spanswick
RME Stirman
G Thomas
T Thomas
JH Tildesley MBE
E Venables
SR Vidal
MC Voisey
LM Walters
KJ Watts
CA Webster
DBF White
PJ White
A Williams
AJ Williams

RM Granville
CA Green
DG Howells

RMI Shaw
CE Smith
SG Smith

HM Williams
JE Williams
RE Young

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COUNCIL - WEDNESDAY, 6 SEPTEMBER 2017

MINUTES OF A MEETING OF THE COUNCIL HELD IN COUNCIL CHAMBER, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON WEDNESDAY, 6 SEPTEMBER 2017 AT 3.00 PM

Present

Councillor PA Davies – Chairperson

S Aspey	SE Baldwin	TH Beedle	JPD Blundell
NA Burnett	RJ Collins	HJ David	P Davies
DK Edwards	J Gebbie	T Giffard	RM Granville
CA Green	DG Howells	RM James	M Jones
MJ Kearn	DRW Lewis	JE Lewis	JR McCarthy
DG Owen	D Patel	RL Penhale-Thomas	A Pucella
JC Radcliffe	KL Rowlands	B Sedgebeer	RMI Shaw
CE Smith	SG Smith	JC Spanswick	RME Stirman
G Thomas	JH Tildesley MBE	SR Vidal	LM Walters
KJ Watts	CA Webster	DBF White	AJ Williams
HM Williams	JE Williams	RE Young	

Apologies for Absence

MC Clarke, N Clarke, SK Dendy, A Hussain, B Jones, T Thomas, E Venables, MC Voisey, PJ White and A Williams

Officers:

Jackie Davies	Head of Adult Social Care
Mark Galvin	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support
Randal Hemingway	Head of Finance & Section 151 Officer
Gary Jones	Head of Democratic Services
Laura Kinsey	Head of Children's Social Care
Darren Mepham	Chief Executive
Mark Shephard	Corporate Director - Communities
Kelly Watson	Group Manager Legal & Democratic Services

49. DECLARATIONS OF INTEREST

The following Declarations of Interest were made:-

Councillor K Rowlands – Agenda Item 15, personal interest as she is employed by a Member of Parliament

Councillor DBF White – Agenda Item 16, a prejudicial interest as an employee of Swansea City Council. Councillor White left the meeting whilst this item was considered.

Councillor JC Spanswick – Agenda item 16, a prejudicial interest as an employee of Rhondda Cynon Taff CBC. Councillor Spanswick left the meeting whilst this item was considered.

Councillor JE Lewis – Agenda Item 16, personal interest as a retired Member of Unison

Councillor G Thomas – Agenda Item 16, personal interest as a member of a trade union.

Councillor M Jones – Agenda Item 16, personal interest as a member of GMB

Councillor CA Green, Agenda Item 16, prejudicial interest as a close family Member works for BCBC. Councillor Green left the meeting whilst this item was considered.

Councillor B Sedgebeer – Agenda Item 16, personal interest as a member of GMB

Councillor RE Young – Agenda Item 16, personal interest as a retired member of GMB

Councillor N Burnett – Agenda Item 16, personal interest as a member of GMB
Councillor HJ David – Agenda Item 16, personal interest as a member of Unite
Councillor J McCarthy – Agenda Item 16, personal interest as a member of Unite
Councillor G Howells – Agenda Item 16, personal interest as a member of GMB
Councillor T Beedle – Agenda Item 16, personal interest as a Honorary Life member of Unison
Councillor CE Smith – Agenda Item 16, personal interest as a member of Unison
Councillor C Webster – Agenda Item 16, personal interest as members of her family are employed by the public sector
Councillor RM Granville – Agenda Item 16, personal interest as a member of GMB
Councillor J Gebbie – Agenda Item 16, personal interest as she works for a local authority and is a member of Unison
Councillor J Radcliffe – Agenda Item 16, personal interest as he is employed by the National Assembly for Wales
Councillor P Davies – Agenda Item 16, personal interest as a retired member of Unite
Councillor RM James Agenda item 16 as his wife works for the public sector

In terms of some general advice on Agenda Item 16, the Legal Officer informed those present that a personal interest should be declared if anyone present was a member of a Trade Union, or a prejudicial interest if someone worked for a local authority or a Trade Union. She added however, that it was the decision of Members themselves whether they wished to follow this advice.

The following Officers declared an interest in Agenda Item 16, and left the meeting whilst this item was being discussed:-

D Mepham
L Kinsey
J Davies
M Shephard
R Hemingway
L Harvey

50. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of Council dated 26 July 2017, be approved as a true and accurate record.

51. TO RECEIVE ANNOUNCEMENTS FROM:

The Mayor

The Mayor announced that she had the great pleasure recently of meeting with a wonderful lady, Warrant Officer First Class, Barbara McGregor. Barbara is celebrating 40 years of active service in the Royal Navy, making her the Navy's longest serving female. It was lovely to meet her and her family and listen to stories of her long and varied career. Barbara is currently the Regional Development Manager for Wales and Western England and recently as part of the Wrens centenary celebrations, organised a fundraising 100 mile walk. The walk was mapped out to engage with local groups and personalities en route and was a huge success. She advised that she looked forward to working with Barbara in the future as part of the Armed Forces Community Covenant and congratulated her on her 40 years in the above service.

The Mayor announced that as some of those present may be aware, she had worked for the South Glamorgan Ambulance Service for many years, and therefore, it was an honour to visit the Hazardous Area Response Team – HART in Bryncethin. HART

which is part of the Welsh Ambulance Service, provides clinical care in hostile environments like industrial accidents and natural disasters, as well as chemical, biological, radioactive, nuclear and terrorist incidents. The team are highly trained professionals whose work takes them into hazardous and often distressing situations. They therefore had her complete support and admiration and she had been grateful to be able to convey her thanks to them in person.

On the subject of our emergency services, the Mayor advised that she had recently paid visits to a number of local police and fire stations to look at the work that they do. She wished to thank both services for taking time out of their normal working day to show her around. It had been great to have the opportunity to meet the staff and see “behind the scenes” she added.

On a more sombre note, the Mayor was sure that those present were all aware of the recent sad and sudden passing of Councillor Janice Dudley, the Mayor of Neath Port Talbot. The Mayor had the pleasure of meeting Janice during her short time as Mayor, and attended her funeral last Friday to convey the respects of the Council. On behalf of Council, she confirmed that thoughts be extended to her family at this difficult time, and the Mayor therefore asked that a minutes silence be given in her honour.

All those present stood for a minutes silence as a mark of respect to Councillor Dudley.

Deputy Leader

The Deputy Leader advised that together with Swansea City Council, BCBC have signed a 15 year contract with the new Agrivert plant at Stormy Down so that our food waste will be recycled locally in future. The plant will handle around 18,000 tonnes every year to generate both electricity and organic fertiliser, which will also be used on 3,000 acres of nearby farm land. The scheme is being supported with Welsh Government funding and will help the Council to achieve ambitious Wales-wide recycling targets. Working with Swansea has been a very cost-effective partnership, and he was sure that Members will welcome this environmentally-friendly, local method of recycling the County Borough’s food waste.

The Deputy Leader wished to mention a couple of forthcoming member development events. There will be a session on Scrutiny Questioning Skills on the 11 and 21 September. These are being provided by the WLGGA and it was recommended that Members attend.

Of particular importance was the final session that has been organised for the Introduction to Local Government and the Code of Conduct on 12 September. This is for Members who have not yet been to one of the sessions, and the Deputy Leader stressed that attendance was expected. Safeguarding sessions, also mandatory, were up and coming on 19 and 25 September he added.

A Risk Management session on 19 September will primarily be of interest to Audit Committee Members, but all Councillors were welcome to take part. Dementia Awareness training will also take place on 27 September, and again on 26 October.

The Deputy Mayor asked Members to note that the visit from the Independent Remuneration Panel for Wales is on 22 September. Members have been advised via email of relevant timings, but if they wanted to discuss any issues with the above body, then they needed to contact Member Services by 8 September.

Any Member wishing to attend a regional induction in Swansea on 10 November should speak to the Head of Democratic Services by 8 November.

The Deputy Leader thanked residents for their recycling efforts, and patience during the first 3 months of the County's new recycling and waste arrangements.

Since June residents had been recycling more than ever, with an increase in the amount of plastics, paper, food waste, cardboard and other recyclable materials being put out at the kerbside.

Compared to 2016, there was a 55% increase in the amount recycled from homes over the first two weeks of the new recycling arrangements.

The Deputy Leader wished to thank residents for the way they had embraced recycling since the new arrangements began this summer.

Obviously, there had been well-documented teething problems with missed collections in some areas and delays on recycling container deliveries, but the Council had worked hard with Kier to improve the situation, and would continue to do so.

There had been an overwhelming number of requests from residents who were keen to recycle food waste but don't already have the caddies they need, and these were being delivered as soon as possible.

When combined, ie kerbside and recycling collected at Community Recycling Centres, the latest recorded stat for BCBC's overall recycling rate, April to June 2017, this stood at 63.7%, meaning that the Council was well on track with achieving the ambitious recycling targets that had been set by Welsh Government, with new targets of 64% being set for 2019-20.

Cabinet Member Communities

The Cabinet Member Communities advised that Members may have seen the announcement by Welsh Government yesterday concerning our ageing sea defences at the town beach in Porthcawl. The defences have been protecting the seafront area from flooding and coastal erosion since 1984, but are urgently in need of refurbishment if they are to be capable of continuing to do so.

Now the town is set to benefit from a £3m investment after Welsh Government agreed to provide 75 per cent of the cost for the work.

This is excellent news for the area. The so-called 'tarmac beach' will be replaced with a visually pleasing new terraced design and a sandy-coloured flat surface which will enable it to continue to protect the town centre and seafront area for many years to come.

This ambitious, year-long project will need to take account of issues such as unpredictable weather patterns and changing maritime conditions, but he was sure that the end results will be more than worth the effort.

Once the contract for the work has been finalised, the Cabinet Member Communities advised that he would provide further details including information about the various community benefits that the work will deliver.

He then drew Members' attention towards the local 'ambassador' scheme that has been developed by the Reach Rural Development Team and Bridgend Tourism Association.

This initiative sees local volunteers helping to raise the profile of the area by meeting or greeting visitors, writing blogs, taking part in local events and more.

New recruits are always welcome, and potential ambassadors will need to volunteer some of their own time and have an interest in learning more about the area's culture, wildlife, history, arts and cuisine.

This scheme may be of interest to Members constituents as it was lots of fun and a great way of socialising and making new friends.

Those interested could find out more by emailing ambassadors@bridgendtourism.co.uk

Cabinet Member Regeneration and Education

The Cabinet Member Regeneration and Education advised that the new school and college terms start this week and he wished to acknowledge the hard work of our pupils, teachers, governors and staff following the recent A Level and GCSE results. This year's A Levels demonstrated further strong performance, and various success stories had been heard from schools all across the County Borough. It was also the first time that the new-style GCSE examinations had been in place, so he wished to especially congratulate all pupils for their hard work and achievements.

In Bridgend, the Rhiw multi-storey parking initiative that offered the first two hours for free was now in effect. It has been made possible by Welsh Government funding and will be available until the end of March next year. If the free parking is seen to have had a positive effect on the town centre, we will have to see whether the Welsh Government is able to provide a further allocation for the free parking scheme to continue in 2018-19. The free car parking will be particularly useful for anyone visiting the town centre Roots festival on 16 September. This was the second time that the festival has been held, and it will again fill the streets of the town centre with live music, entertainment, food and free activities. The last festival was very successful, so he hoped Members would help spread the word about this popular event.

The Jennings Building was now fully up and running, and recently received its official opening from Carwyn Jones AM alongside representatives of the Council, ABA Holdings, Finance Wales, the Heritage Lottery Fund and Cadw. This was part of a network of regeneration that could proceed without any complications regarding land ownership problems. The new businesses that have located there are proving to be exceedingly popular, but the Cabinet Member Regeneration and Education was particularly interested to see the first-floor units where people can both live and work on site, and in the process support other trade in the area. He confirmed that all the effort has been well worthwhile, and he urged those present to visit the Jennings Building, although they may have to wait for a seat, as it was proving to be extremely popular.

Cabinet Member Wellbeing and Future Generations

The Cabinet Member Wellbeing and Future Generations advised Members that she had two announcements. The first was to advise Members that the Council's Fostering Team had launched a new recruitment drive by the to coincide with the start of the autumn school term, and also encourage Members to support the recruitment drive by making their constituents aware of the campaign.

The fostering team are appealing for 'empty nesters' and people whose own children have grown up and left home to come forward.

To be considered as a foster carer, a person needed to be 21 or over, have a spare room, good communication skills, be ready for the challenge and most importantly care about children.

Those who had an interest did not have to be married or own their own home, and there was also no gender, faith or sexual orientation requirement.

Courses, training and support were all provided, and more information was available at the 'empty nesters' page on the Bridgend Foster Care website.

her second announcement was to advise Members that they may also want to give local residents a heads-up that a wave of scam telephone calls are being made across the region and could soon reach as far as the County Borough.

The scams generally ask residents to provide personal information so that a Council Tax refund can be made to them, and try to pressure householders with tight deadlines and threats of legal consequences. A number of complaints had been received and the Shared Regulatory Service was currently investigating these.

The Cabinet Member Wellbeing and Future Generations, stated that residents should be reminded to never give out bank details or any personal information over the telephone, and if in doubt, to contact the Council for verification and report suspected scam calls, by phoning the Citizen's Advice Consumer Service on 03454 040506.

52. TO RECEIVE THE REPORT OF THE LEADER

The Leader advised that the Council amongst others, were expecting more details soon about the proposal by the Cabinet Secretary for Local Government and Finance regarding the Health Board that will serve the communities of Bridgend. The Council had been busy over the summer preparing the ground for any potential change. The Leaders of Swansea, Neath Port Talbot, himself and Cabinet Members had met with the Chair of the Health Board and we were all clear that although we will plan for the future we will also continue to work closely together on our joint and integrated services. Also, himself, the Cabinet Member Social Services and Early Help, the Chief Executive, appropriate Director and BCBC's Heads of Service had also met with the Chair and Chief Executive of Cwm Taf Health Board. Cwm Taf were very keen to talk about practical ways to develop a very close partnership with Bridgend. The Leader asked about their initial thoughts about the Princess of Wales Hospital, and the Chief Executive without hesitation confirmed their commitment to the A&E unit at the Hospital, and in fact said they would consider ways to increase the specialist services offered there.

Back in July, the Leader advised that he had informed Members of a meeting held with the Lifelong Learning and Welsh Language Minister, Alun Davies AM, to ensure that Bridgend County Borough benefits from the 'Our Valleys, Our Future' proposals, and he had promised to bring back to Members further details regarding this.

He was therefore pleased to report that a Valleys Taskforce event will be held at Maesteg Town Hall tomorrow evening between 6pm - 7.30pm, and people will be able to find out more about the plans to create thousands of new jobs and get an extra 7,000 people into work by 2021.

A number of Council initiatives were also exhibiting at the event, including the Upper Llynfi Valley Heat Energy project, the transformation of Maesteg Town Hall and the Bridges into Work 2 programme. This was a significant event and he hoped that Members would offer their full support as we continued to make the case for a strategic hub for investment in the Bridgend Valleys.

Alun Michael, Police and Crime Commissioner for South Wales, this week announced his intention to appoint Matt Jukes as the new Chief Constable of South Wales Police from 1st January 2018. This followed the announcement by the current Chief Constable, Peter Vaughan QPM, of his intention to retire at the end of December.

As part of a comprehensive appointment process, the Leader was invited together with Council Leaders and Chief Executives from across South Wales to be a member of one of no less than four separate expert panels that interviewed Matt Jukes who was the current Deputy Chief Constable at South Wales Police. The feedback from the panels and the final interview panel was unanimous in supporting his appointment the Leader added.

The decision was subject to scrutiny by the Police and Crime Panel for South Wales, where the Authority were represented by Councillor RE Young, and this body would meet on Friday to consider the Commissioner's decision and whether to endorse it or not.

The fifth Bridgend Business Forum Awards will take place on 29th September at the Coed-Y-Mwstwr advised the Leader. There were 19 finalists across eight categories this year, including start-up business of the year, service business of the year and entrepreneur of the year. This event was growing bigger and stronger every year, and more details regarding this could be found on the Bridgend Business Forum website.

Finally, he advised that the Council were committed to helping people back into work, and as well as initiatives like Bridges Into Work and holding 75 job club sessions every week, the Council will be working Job Centre Plus to present this year's jobs and information event. This will take place at Bridgend Life Centre, also known as the Recreation Centre on Thursday, 14 September, and will feature a wide range of local organisations, businesses and training providers. There would be around 50 stands there, all of which will seek to help local people discover new career, training and employment opportunities.

The Leader was sure that Members would wish to share news about this very useful event with their constituents.

Chief Executive

The Council wished to bring Members up to speed on how the current electoral canvass is going.

The first phase of the process closed with the initial registration deadline expiring last month, and we are now into the next phase of the canvass.

As of this morning, a total of 45,000 registrations out of a potential 63,000 had been received.

The Electoral Division were focusing current efforts on reminding the 18,000 eligible householders who have yet to respond about the importance of being included on the electoral register.

Reminder letters featuring a new response deadline have been issued.

The Authority were also carrying out publicity activities to promote the canvass, highlighting the fact that being on the electoral register does more than enable people to

vote have their say, for example, it also helps with things like obtaining credit or applying for things like mobile phone contracts, mortgages or passports.

A particular emphasis was being placed on how easy it is for people to register, as well as the various ways in which they can do this.

From 20 September, canvassers will be knocking on people's doors as part of the final phase of the canvas. They'll be targeting the remaining households that haven't responded to either the original communication or the reminder.

The final register is set to be published on 1 December, so the very last chance for people to make sure that they are included is 20 November.

The Chief Executive stated that Members may wish to make a note of that deadline so they can advise any constituents who approach them about this issue.

53. SOCIAL SERVICES ANNUAL REPORT 2016/17

The Head of Adult Social Care presented a report, that requested Council's approval of the Director of Social Services Annual Report 2016/17, following the Presentation on this topic having been considered by Council at its July meeting.

This was the eighth Annual Report of the Director of Social Services and was based on the Authority's self-assessment of the performance and delivery of social services. The report was attached to the covering report at Appendix 1.

She explained that from October 2016, the Care and Social Services Inspectorate Wales (CSSIW) changed how they inspected Children's and Adult Social Services. Following the implementation of the Social Services and Wellbeing (Wales) Act 2014, CSSIW had developed a new framework which would ensure that authorities are inspected using the wellbeing outcomes of the Act. This placed an emphasis on hearing the views and voices of people and their carers who required care and support.

The Head of Adult Social Care advised that there were hyperlinks throughout the Annual Report that supported the information obtained within it, as well as providing a glossary of terms.

Paragraph 4.4 confirmed that the guidance for the report included a template, as well as setting out the sections in relation to the national quality standards for wellbeing, as referred to in this part of the report.

She added that the report demonstrated that services were generally effective in meeting the needs of people who require the support of social care. The report identified that services were improving overall, although areas had been identified where improvement was required and these were identified in the priorities for 2017/18.

As part of the CSSIW annual review of performance for 2016/17, quarterly review meetings were held with the Director of Social Services and herself and the Head of Children's Social Care. CSSIW had also visited several service areas, joined specific meetings and completed short reviews on adult safeguarding and carers plus, a significant inspection of Children's Services. The outcome was set out in the CSSIW Annual Performance Letter attached at Appendix 2 to the report.

The Head of Adult Social Care further added that on 20 July 2017, Subject Overview and Scrutiny Committee 2 received a report on the inspection of Children's Services and associated action plan. As part of the inspection, which took place in January/February

2017, the Inspectors looked closely at the quality of outcomes achieved for children in need of help, care and support or protection. The findings showed that Bridgend is working hard to implement the Act and had achieved a lot during a time of significant change. They also reported that some of the practice they had seen varied and that more needs to be done in the areas of decision making, risk assessment, quality assurance and multi-agency engagement.

The remainder of the report confirmed the Head of Adult Social Care, outlined the whole service and more specific Priorities for Adult Social Care and Children's Social Care for 2017/18. These reflected the analysis of performance, as well as trying to address the increasingly challenging context: financial, demographic and level of need.

A Member referred to page 62 of the letter and asked if there was evidence to yet suggest that new processes and restructuring of the workforce, had led to an improvement in terms of foster care support for individuals in transition from children to adults.

The Leader advised that a Transition Team had been introduced, to allow for services to be provided in a more cohesive way than previous for children going into adulthood, and this included team working involving staff from both these areas, with children and families of individuals receiving care.

The Head of Children's Social Care advised that the Transition Service Model referred to above had been agreed by Overview and Scrutiny, where as the Leader had confirmed, cross directorate working would be pursued to improve the transition proposals from adolescence into adulthood. The main thrust of the work would commence in the autumn she added.

RESOLVED: That Council approved the Director of Social Services Annual Report for 2016/17.

54. ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2016-17

The Head of Finance and Section 151 Officer presented a report, the purpose of which, was to comply with the requirement of the Chartered Institute of Public Finance and Accountancy 'Treasury Management in the Public Services: Code of Practice' (the Code) to report an overview of treasury activities from the preceding financial year, and also to report on the actual Treasury Management and Prudential Indicators for the above period.

The report gave some background information, following which it covered the following areas for the year 2016/17

- The Council's treasury position
- Treasury Risk Management
- External Context
- Borrowing Strategy and Outturn
- Investment Strategy and Outturn
- Performance Management
- Review of the Treasury Management Strategy
- Reporting Arrangements
- Treasury Management and Prudential Indicators

The Head of Finance and Section 151 Officer then gave a resume of the current position regarding each of these, for the benefit of Members.

With regard to long term borrowing, he advised Council that there was no change to that of previous, whilst the amount of £10m for a number of short term loans, were all paid off a month after the loan was borrowed.

The Head of Finance and Section 151 Officer advised that the Treasury Management Code and Prudential Code required the Council to set and report on a number of Treasury Management and Prudential Indicators. Details in Appendix A to the report, included estimated indicators for 2016-17 as detailed in the Treasury Management Strategy (TMS) 2016-17 previously approved by Council, the revised projection (where applicable) as set out in the Treasury Management Strategy 2017-18 approved by Council on March 2017, and the actual indicators for 2016-17.

A Member asked the Head of Finance and Section 151 Officer, if he could confirm as to what exposure of risk the Council faced through borrowing and give an explanation on the rates returned.

The Head of Finance and Section 151 Officer advised that borrowing initiatives were prioritised above yield, and that favourable cash flows had provided positive cash balances for investment, and as reflected in paragraph 4.5.5 of the report, the balance on investments as at March 2017 was £33.75m made up of £4m long term investments, £26.50m short term investments and £3.25m in Cash and Cash Equivalents. The Table in paragraph 4.5.6 of the report summarised the credit risk exposure of the Council's £33.75m investments at March 2017 by credit rating, (based on the lowest long term rating) maturity profile (remaining duration from 31 March 2017) and counterparty type.

He added that due to there being a lot of diversity in the type of borrowing and investments the Council were involved in, overall there was a positive credit rating with a low level of risk associated with any of the Council's borrowing initiatives.

RESOLVED: That Council:-

- (1) Approved the Treasury Management activities for 2016-17.
- (2) Further approved the actual Treasury Management and Prudential Indicators for 2016-17.

55. **ACHIEVING THE WELSH LOCAL GOVERNMENT ASSOCIATION (WLGA) CHARTER FOR MEMBER SUPPORT & DEVELOPMENT**

The Democratic Services Committee submitted a report to Council, requesting that it considers proposals for the Authority to achieve the WLGA Charter for Member Support and Development.

The report gave some background information on what the Charter was, and that it aimed to provide a broad framework for local planning, self-assessment, action and review together with networking and comparison amongst authorities, and the sharing of good and innovative practice. Its wide adoption had raised the overall amount and standard of support given to Members in Wales.

The report highlighted that there were 2 levels of award, with the first level (Standard) normally requiring to be achieved before progressing to the next level (Advanced).

The Charter was awarded for a period of 3 years, after which an Authority was able to relinquish, maintain or improve its charter status, whilst there was no requirement to wait the full 3 year period between achieving the Standard Charter award before progressing to the Advanced Charter Level.

The Group Manager Legal Services advised Council, that there were a number of factors which needed to be considered when determining the most suitable option for the Authority to undertake in respect of the WLGA Charter for Member Support and Development, and details of these were shown in paragraph(s) 4 of the report.

In terms of meeting the requirements, she explained that the full criteria for the achievement of the WLGA Charter for Member Support and Development at Standard and Advanced level, was shown at Appendix 1 to the report. Paragraph 4.5.2 of the report detailed in table format, the initial assessment of the implications of achieving the Charter at Standard level.

Paragraph 4.6 of the report then outlined the cost of achieving the WLGA Charter, whilst paragraph 4.7 advised of the timescales involved for this.

The Group Manager Legal Services then gave some Options available to Members to consider going forward, prior to advising of the financial implications of any options that may be pursued in respect of the Charter.

A Member was of the opinion that it was important to ensure that all components shown in paragraph 4.5.2 of the report (in the Table) were showing either Green or Amber in the Traffic Light Status, as opposed to Red.

RESOLVED: That Council:

- (1) Noted the content of the report and the recommendation of the Democratic Services Committee, as set out in paragraph 4.7.2 of the report.
- (2) Approved application for the Welsh Local Government Charter for Member Support and Development (Standard Level) in 2018, and remain at that level (Option 2).

56. **OVERVIEW AND SCRUTINY ANNUAL REPORT 2016-17**

The Corporate Director Operational and Partnership Services presented a report, the purpose of which, was to present Council with a review of work undertaken by Overview and Scrutiny during the period September 2016 – September 2017.

Paragraph 3.1 of the report, gave a resume of the Scrutiny Function, and advised that Overview and Scrutiny Committees in BCBC overseen the decision making of the Cabinet Members, and supported the work of both Cabinet and Council. This led to reports and recommendations which advised Cabinet and the Council as a whole, on its policies, budget and service delivery.

The Group Manager Legal Services referred to paragraph 4.2 of the report headed Outcomes and Achievements, the sub-paragraphs of which gave information on progress made for the above period.

She then added that Scrutiny Officers had undertaken an assessment of the function using the Characteristics of Good Scrutiny, to determine its performance during 2016-17. This Assessment was attached at Appendix A to the report.

The remainder of the report gave some supplementary information in respect of Webcasting of meetings and Scrutiny Review and Development.

The financial implications of the report confirmed that the cost of webcasting, translation of webpages, the Scrutiny survey and any future development needs, would be met from within existing budgets.

A Member pointed out that the Overview and Scrutiny process was very well regarded in Bridgend, and he welcomed a more cross-cutting approach than previous, as was proposed in the report.

He was also pleased to note from paragraph 4.4.6 of the report, the areas that had been identified for future development in 2017-18, particularly the issue regarding increased public engagement going forward.

RESOLVED: That Council noted the report.

57. OVERVIEW AND SCRUTINY - BUDGET RESEARCH AND EVALUATION PANEL

The Corporate Director Operational and Partnership Services submitted a report, so as to provide details of the proposed Scrutiny Budget Consultation Process under the new Scrutiny Committee structure.

The report also advised, that in considering the challenges associated with continued budget reductions, Members of the 2013/14 BREP recognised the need for a 'whole Council' response to be adopted in managing anticipated cuts to services against a backdrop of increasing demand, public sector reform and the challenging financial outlook.

The 2013/14 Panel therefore recommended that a Standing BREP be established to engage members on budget proposals as well as to enable members to feed in community intelligence gained from their representative role and to engage in shaping future service provision. This recommendation was endorsed by both the Corporate Resources and Improvement Overview & Scrutiny Committee and Cabinet as part of the 2013/14 draft budget consultation process.

Previously it has been agreed that each Scrutiny Committee would nominate two Members to sit on the Standing BREP.

Under the new Scrutiny Committee structure the Corporate Overview and Scrutiny Committee (COSC) has the overall responsibility for budget monitoring throughout the year. As such it is proposed that it continues this role and appoints BREP with such Members of the COSC as it agrees to sit on the Panel.

The purpose of the Panel would be as was reflected in paragraph 3.1 of the report, with minor amendments to points b) and c) to reflect the recent changes to the Scrutiny structure and the upcoming financial year:-

- b) Achieve a detailed overview and assessment of the budget proposals where the expertise and knowledge of each Committee contributes to a Corporate understanding and appreciation of the draft budget proposals;
- c) Assist the Council to develop a budget for the forthcoming year that aims to meet the needs of the communities of Bridgend County Borough;

Each Subject Overview and Scrutiny Committee (SOSC) would continue to receive an individual set of Directorate Budget proposals to scrutinise in December, as has previously been the case. The comments and recommendations from each Committee

would then be consolidated along with the BREP's comments into one report which would be presented to Cabinet.

As with all Research and Evaluation Panels it was proposed that the Chair of BREP be appointed at the first meeting of the Panel. Council has not allocated a senior salary to the Chairperson of BREP and therefore no additional remuneration will be made for this role.

RESOLVED: That Council approved the process for the Scrutiny Budget Consultation Process under the new Committee structure as detailed in section 4 of the report.

58. APPOINTMENT OF THE CHIEF EXECUTIVE'S APPRAISAL PANEL

The Monitoring Officer submitted a report in order to approve the appointments to a Panel responsible for the appraisal and performance review of the Chief Executive.

This Panel had been established in the last term of office in May 2010, and in view of the recent local government Elections, there was now a requirement to re-introduce such a Panel.

The report confirmed that a provisional date for a meeting of the Panel had been convened for 10 October 2017 at 10.00am.

The Leader welcomed the report, which reflected BCBC's 'One Council' approach to the way in which it approached and conducted his business.

RESOLVED: That Council:

(1) Appointed a Panel responsible for the appraisal and performance review of the Chief Executive, comprising of:-

- The Leader
- The Deputy Leader
- A Labour Group member (Cllr M Jones)
- Leader of Conservative Group/nominated representative
- Leader of Independent Alliance Group/nominated representative
- Leader of Plaid Cymru Group/nominated representative
- Leader of Llynfi Independent Group/nominated representative

(2) Noted that a provisional date for a meeting of the Panel had been established as 10 October 2017 at 10.00am

59. INFORMATION REPORTS FOR NOTING

The Monitoring Officer submitted a report, the purpose of which, was to inform Council of any Information Reports for Noting since its last ordinary meeting, as detailed in paragraph 4.1 of the report.

RESOLVED: That Council noted the content of the report.

60. DISCLOSURE AND BARRING SERVICE CHECKS FOR ELECTED MEMBERS

The Chief Executive presented a report (on behalf of the Corporate Director Operational and Partnership Services), the purpose of which, was to seek agreement from Council, to make a change to the existing Disclosure and Barring Service (DBS) Policy in relation to DBS checks for elected Members, to ensure that the public can have trust and confidence in their elected Members.

He advised Council, that under the current DBS Policy, elected members were not subject to a DBS check.

Paragraph 4.2 detailed the different types of criminal records checks, with the eligibility criteria for these, set out immediately below them. These were as follows:-

- a) Basic Disclosure
- b) Standard Check
- c) Enhanced Check
- d) Enhanced Check with check of Barred Lists

The Chief Executive proposed that all elected Members were the subject of a Basic Disclosure, in order to demonstrate to the public that they can have trust and confidence in their elected representatives.

In addition to this and with reference to paragraph 3.3 of the report, it was also proposed that Cabinet Members and Scrutiny Chairs, in line with their responsibilities to “discharge functions” relating to the social care of vulnerable people and children, are subject to an Enhanced Check, in order to reflect the important role they play in scrutinising services that are delivered in relation to safeguarding and education functions.

The Chief Executive concluded his submission, by referring to the report’s financial implications should the proposals be agreed upon.

A Member asked if consideration had been given to Enhanced Checks being considered for those Members who undertook Rota Visiting of Care establishments etc.

The Chief Executive replied that this could be looked at in the future, and similarly too for those Members who were also School Governors.

RESOLVED: That Council:

- (1) Approved the amendment of the Council’s DBS Policy to reflect the proposals outlined in paragraph 4.3 and 4.4 of the report
- (2) Seeks individual consent from all Members to undertake DBS checks
- (3) Approved that if consent is received, it arranges for DBS checks for elected Members, in line with proposals contained in paragraph 4.3 and 4.4 of the report.

61. **TO RECEIVE THE FOLLOWING QUESTION TO THE CABINET MEMBER FOR WELLBEING AND FUTURE GENERATIONS & RESPONSE FROM THE CABINET MEMBER**

“What communication have Cabinet Members had with BCBC officers, Halo and Awen with regard to the provision of disabled access to the facilities and services they provide”?

Response from the Cabinet Member Wellbeing & Future Generations to Councillor C Webster

Whilst I welcome the time taken to submit this question, I must admit I consider it to be a broad question, and thus am not entirely clear what the specific concern is nor what information is being sought. I would like to take this opportunity to remind members that I am more than willing to meet with you regarding queries or concerns you have, at any time, so please don't feel the need to have to wait until a monthly meeting to resolve any concerns.

I have set out an initial response to the question, which is based on my interpretation of the question.

"What communications have Cabinet Members had" the phrasing of this appears to be a freedom of information request and if this is the case, members should note that there is an alternative route for this question.

Turning to the "provision of disabled access to the facilities and services" provided by (i) BCBC, (ii) Halo Leisure and (iii) Awen Cultural Trust, I have interpreted this to relate to individuals described as disabled under the Equality Act 2010 and set out below some information regarding the services that the three providers offer and have specifically tried to focus on the communication methods Cabinet Members are involved in.

(i) BCBC

The main interaction between Cabinet Members and BCBC Offices regarding access to facilities and services has been via the Equalities Cabinet Committee meeting and the development of the Strategic Equality Plan 2016-2020 and its supporting Action Plan. These plans were produced following an extensive consultation and engagement exercise in 2016 involving many disability groups, including Bridgend Coalition of Disabled People, Bridgend Visually Impaired Society, Bridgend Deaf Club, People First Bridgend and Stroke Association. The Strategic Equality Plan contains a specific objective to support people with a protected characteristic, including people with disabilities, to access leisure and cultural services, including those operated on our behalf by Halo Leisure and the Awen Cultural Trust. To support this, Cabinet Members and BCBC Officers have worked with both organisations to develop a plan that will progressively improve opportunities and activities for people with disabilities. Updated plans were presented at the Equalities Cabinet Committee meeting earlier this month, and are available for on the BCBC website.

In addition to this, BCBC offers the Community Chest grants programme, which focusses on tackling inequalities and supports projects that benefit disabled people. A network of "In-Sport" inclusive sports clubs has been developed linked to the Disability Sport Development programme. Disability Inclusion Training (DIT) has been delivered to clubs and leisure providers to better integrate people with disabilities. The "Calls 4 Action" programme has enabled groups of people with varied disabilities to establish clubs and associations. Children and young people with disabilities do have regular access to After School Play Club and school holiday "Discovery Day" programmes, supported by Disabled Children's Team.

(ii) Halo Leisure

The Healthy Living Partnership Advisory Board which regularly evaluates progress and performance contains Cabinet Members, as well as, the relevant Chair of Scrutiny and representatives from Public Health Wales and Sport Wales. The Advisory Board is in

place to review the reporting of Halo Leisure including levels of participation and focus on targeted population groups. There is also an annual service development planning process that is jointly developed between BCBC and Halo Leisure.

Halo Leisure is using both traditional and digital forms of marketing approaches to improve communication with disabled people. In particular, they are continuing to develop their use of social media and web based information whilst recognising those who are digitally excluded. Key opportunities have been promoted via the Dewis national database. The "Piece of the Action" website also features a suite of inclusive case studies that profile locally available opportunities.

Halo Leisure is currently supporting a range of initiatives for people with disabilities. It is working on the "Ageing Well Plan for Bridgend" and have develop services and activities, to help to make Bridgend an age-friendly county. For example, a dementia friendly swimming project is being developed and supports the disability swimming group called "Bridgend Sharks".

Halo Leisure reports, that in addition to casual visits by disabled people, 600 disabled people commit to regular usage through membership.

The 'Level Water' partnership with Halo Leisure supports free 'Learn to Swim' opportunities for children with disabilities.

The national exercise referral scheme supports people dealing with Parkinson's disease, as well as those with pulmonary rehabilitation needs and age-acquired chronic conditions. Halo Leisure has supported free access to swimming for armed forces veterans as part of a Welsh Government initiative. The 'Later Life' programme has supported physical activity and exercise in day care, residential care and community settings including the Olympage Games. A successful initiative linking stroke survivors to indoor bowling activities has also commenced.

(iii) Awen Cultural Trust

With regard to the Awen Cultural Trust ("Trust") partnership, members will note that decision making regarding the performance and direction of the trust is taken by the Trustees, as it is an independent organisation with charitable status. There are two council representatives on the trustee board, neither of whom are Cabinet Members. That said the Trust presents an annual service plan to full Council for approval, which outlines and demonstrates progress against the 5 year commissioning outcomes set by BCBC. The annual performance of both Halo Leisure and Trust are reported to Scrutiny and highlight the impact services are having and how service development plans can respond to local needs and priorities.

There have been a number of ways in which the Trust delivers services and facilities for disabled people for example, the B leaf and Wood B projects, which are work-based horticultural and carpentry projects for adults with disabilities. The library and arts services offer a range of activities to help those with disability enjoy the cultural offer. Examples include: Bounce and Rhyme sessions led with sign language, Booklink service to housebound customers, BoomBox access to audio downloads for those with limited manual dexterity, and a fully inclusive youth theatre. The benchmarking of the Trust's current performance of libraries, shows that Bridgend is in the top quartile in a number of important areas. The analysis showed customer satisfaction is at 97% overall across approximately 450,000 visits and issuing over 450,000 items of stock. Providing information and effective communication e.g. easy read formats will be developed through the period of the Partnership.

Supplementary Question from Councillor C Webster

As a parent of a disabled child, what has been highlighted in the response is that there are plenty of activities available for these individuals, but a lack of changing facilities in order for the disabled to be equipped to fully access such facilities. For example, not all disabled people require access to a larger toilet or bar. Many require a changing bed or hoist etc. Having these facilities in place, opens up improved accessibility to swimming pools, libraries, theatre and shopping. This was essential not just for disabled people, but also for their carer's. There were 2 such changing facilities available in Porthcawl and one also in Sarn Services. She asked the Cabinet Member Wellbeing and Future Generations and the remaining members of Cabinet, to 'open more doors' for the most marginalised and vulnerable in Bridgend.

Response from the Cabinet Member Wellbeing & Future Generations to Councillor C Webster

The Cabinet Member Wellbeing and Future Generations agreed that a lot of good work had taken place at facilities provided by or on behalf of the Council, and that organisations such as Halo had put facilities in place at their Leisure buildings, such as disabled toilets and showering facilities in order to meet required standards for disabled people. She added however, that she would look to take any necessary steps available to increase and re-modify these in the future, where necessary and where required. There were different types and categories of disabilities, and the local authority would similarly work with Social Enterprises and other arms of the Authority who provide services on the Council's behalf to ensure that specific facilities to cater for the disabled are provided where needed.

62. **NOTICE OF MOTION PROPOSED BY COUNCILLOR DBF WHITE**

Councillor DBF White made the following Notice of Motion to which he give an introductory speech, as to why he had proposed this. This Notice of Motion was duly seconded. He also asked that a Recorded Vote be taken on the Notice of Motion:-

"This Council, requests that the Leader write to the Secretaries of State and the relevant Welsh Government Cabinet Secretary outlining our concerns over the decision made by the UK Government not to proceed with full electrification of the South West Wales line between Cardiff and Swansea; and to call on the UK Secretary of State for Transport, to immediately reverse this decision.

This Council unequivocally condemns the announcement on the day that the UK Parliament went into summer recess without consultation not to proceed with electrification of the rail line to Swansea. This decision will have a significant long term economic and environmental consequences for Bridgend. It is a betrayal of the people of Bridgend. This Council restates that it believes that Bridgend requires modern regional transport infrastructure investment to ensure the future prosperity of the region.

We note with dismay that since the announcement not to proceed with electrification to Swansea, that the UK Government has stated its support for a £30bn Cross rail 2 project. This demonstrates the London centric thinking of the UK Government.

We also note the UK Government has announced that it is to ban petrol and diesel vehicles in the UK from 2040. We believe this ban should extend to locomotives and that diesel trains should also be banned, and renewable energy schemes should be progressed as a matter of urgency, so that the electric vehicles of the future are powered by clean renewable energy."

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Councillor Watts whilst agreeing with the sentiment of this Notice of Motion, felt that it should be reworded as follows, and therefore moved an amendment to the original Motion which was also duly seconded:-

“This Council requests that the Leader write to the Secretary of State for Wales and the Secretary of State for Transport along with the relevant Welsh Government Cabinet Secretary outlining our concerns over the decision made by the UK Government not to proceed with the full electrification of the South Wales West line between Cardiff and Swansea and to call on both Secretaries of State to reverse their decision immediately.

This Council believes that Bridgend requires modern regional transport infrastructure investment to ensure the future prosperity of the region and condemns the announcement, without consultation, not to proceed with the electrification of the rail link to Swansea, as this decision will have significant long term economical and environmental consequences for the people of Bridgend for whom it is seen as a betrayal.”

Following comments made by a number of Members on both Notice of Motions, and after some due consideration, Councillor Watts advised that he wished to withdraw his amendment as detailed above in favour of Councillor White’s Notice of Motion. However, this was not supported by the seconder, and therefore the motion to amend remained to be determined.

Following advice from the Legal Officer, an electronic vote was conducted on whether or not a Recorded Vote should be taken on the amended Notice of Motion, the result of which was as follows:-

<u>For</u>	<u>Against</u>	<u>Abstentions</u>
40	0	1

Therefore, Council agreed that a recorded vote be taken on the amended Notice of Motion, the result of which was as follows:-

<u>For</u>	<u>Against</u>	<u>Abstentions</u>
Cllr T Giffard	Cllr G Thomas	Cllr T Beedle
Cllr L Walters	Cllr J Tildesley	Cllr K Edwards
Cllr C Webster	Cllr DBF White	Cllr R Penhale-Thomas
Cllr S Vidal	Cllr N Burnett	Cllr K Watts
4	Cllr R Collins	4
	Cllr P Davies	
	Cllr J Gebbie	
	Cllr R Granville	
	Cllr S Baldwin	
	Cllr J Radcliffe	
	Cllr RM James	
	Cllr J Williams	
	Cllr R Shaw	
	Cllr G Howells	
	Cllr B Sedgebeer	
	Cllr JP Blundell	
	Cllr M Jones	
	Cllr R Stirman	
	Cllr AJ Williams	
	Cllr D Owen	
	Cllr J McCarthy	
	Cllr M Kearn	

Cllr D Lewis
Cllr JE Lewis
Cllr JC Spanswick
Cllr CA Green
Cllr D Patel
Cllr HJ David
Cllr HM Williams
Cllr R Young
Cllr PA Davies

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The amendment to the original Notice of Motion therefore did not carry.

Council then had an electronic vote in order to decide whether a Recorded Vote should be taken on Cllr White's original Notice of Motion, the result of which was as follows:-

<u>For</u>	<u>Against</u>	<u>Abstentions</u>
36	0	0

A Recorded Vote was then taken on the Notice of Motion, the result of which was as follows:-

<u>Against</u>	<u>For</u>	<u>Abstentions</u>
Cllr T Giffard	Cllr G Thomas	Cllr C Walters
Cllr A Pucella	Cllr J Tildesley	Cllr K Watts
Cllr C Webster	Cllr DBF White	
Cllr S Vidal	Cllr N Burnett	
5	Cllr R Collins	2
	Cllr P Davies	
	Cllr J Gebbie	
	Cllr R Granville	
	Cllr S Baldwin	
	Cllr J Radcliffe	
	Cllr RM James	
	Cllr J Williams	
	Cllr R Shaw	
	Cllr G Howells	
	Cllr B Sedgebeer	
	Cllr JP Blundell	
	Cllr M Jones	
	Cllr R Stirman	
	Cllr AJ Williams	
	Cllr D Owen	
	Cllr J McCarthy	
	Cllr T Beedle	
	Cllr D Lewis	
	Cllr JE Lewis	
	Cllr JC Spanswick	
	Cllr CA Green	
	Cllr D Patel	
	Cllr HJ David	
	Cllr HM Williams	
	Cllr R Young	
	Cllr K Edwards	
	Cllr R Penhale-Thomas	

Cllr CE Smith
Cllr PA Davies
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RESOLVED: That Council agreed to accept the Notice of Motion made by Councillor DBF White, as detailed in Agenda Item 15.

63. NOTICE OF MOTION PROPOSED BY COUNCILLOR DG HOWELLS

Councillor DG Howells made the following Notice of Motion, to which he gave an introductory speech, as to why he had proposed this. He asked if a Recorded Vote could be taken on this Notice of Motion.

Councillor T Giffard advised Members that he did not support the Notice of Motion, and that this should not be considered until after the UK's Autumn Budget.

An Electronic Vote was then taken to decide as to whether or not a Recorded Vote should be taken on this Notice of Motion, the result of which was as follows:-

<u>For</u>	<u>Against</u>	<u>Abstentions</u>
32	2	0

Therefore, Council agreed that a recorded vote be taken on the Notice of Motion, the result of which was as follows:-

<u>For</u>	<u>Against</u>
Cllr G Thomas	Cllr A Pucella
Cllr N Burnett	Cllr T Giffard
Cllr R Collins	Cllr L Walters
Cllr R Granville	Cllr C Webster
Cllr S Baldwin	Cllr S Vidal
Cllr J Radcliffe	Cllr K Rowlands
Cllr T Beedle	Cllr K Watts
Cllr K Edwards	
Cllr R Penhale-Thomas	7
Cllr J Williams	
Cllr R Shaw	
Cllr G Howells	
Cllr B Sedgebeer	
Cllr JP Blundell	
Cllr M Jones	
Cllr R Stirman	
Cllr AJ Williams	
Cllr D Owen	
Cllr J McCarthy	
Cllr M Kearns	
Cllr D Lewis	
Cllr JE Lewis	
Cllr D Patel	
Cllr HJ David	
Cllr HM Williams	
Cllr CE Smith	
Cllr R Young	

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Cllr RM James
Cllr PA Davies
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RESOLVED: That Council agreed to accept the Notice of Motion made by Councillor DG Howells, as detailed in Agenda Item 16.

64. URGENT ITEMS

None

The meeting closed at 4.55 pm

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE CHIEF EXECUTIVE

ANNUAL REPORT 2016-17

1. Purpose of Report

- 1.1 The purpose of this report is to present the Council's Annual Report 2016-17 (**Appendix A**), for Council to consider and approve.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 The Annual Report evaluates the Council's performance against the priorities set in the new Corporate Plan 2016-20. It also reiterates the improvement objectives for 2017-18.

3. Background

- 3.1 Under section 15 of the Local Government (Wales) Measure 2009 and in accordance with the related statutory guidance issued by the Welsh Government, the authority must publish its assessment of performance for the previous financial year before 31 October.
- 3.2 In March 2016, the Council published its new Corporate Plan 2016-20. The Plan sets out its vision, that is, always to act as 'One Council working together to improve lives', and three new improvement priorities as follows:
- Supporting a successful economy
 - Helping people to become more self-reliant
 - Smarter use of resources

- 3.3 The Plan defined 46 commitments to deliver the three priorities and identified 58 outcome-focused indicators for the financial year 2016-17.

- 3.4 The Council's Medium Term Financial Strategy (MTFS) identified how it would use its resources to support the achievement of the improvement priorities and statutory duties, including the management of financial pressures and risks over the next four years.

4. Current situation / proposal

- 4.1 The Annual Report, prepared under the the Local Government (Wales) Measure 2009, evaluates how well the Council did in 2016-17 in delivering its commitments and planned outcomes for the financial year, using its success measures and other evidence. Wherever performance was short of its target, explanations are provided.
- 4.2 Overall, the Council performed strongly in 2016-17. Of its 46 commitments, the Council carried out to completion 32 (nearly 70%), with a further 11 (24%) that were mostly completed. The Council was short of meeting the target set for three

commitments, namely, digitalisation of planned services, asset transfer to community groups and organisations, and income generation initiatives. Even so, a lot had been done during the year to deliver these commitments. Take digitalisation as an example, the Council actually did more than originally planned, e.g. website redesigning, to ensure that the public are happy to use its automated services.

- 4.3 The Corporate Plan identified 58 indicators to measure success and 57 indicators have been collected for the year. Of those with a target, the Council met or exceeded the target for 59.2%, with further 12.2% missing the target marginally. Of those indicators that missed the target, 25% showed improvement, 45% were new indicators which made it hard to set challenging but realistic targets, and a further 15% were influenced by external circumstances. Overall, 74% of all indicators with comparable data showed improvement. Detailed information about the Council's performance against its commitments and targets is included in **Appendix A**.
- 4.4 In 2016-17, the Welsh Local Government Association defined and collected 28 indicators, the Public Accountability Measures (PAMs), for the Welsh Local Authorities. Some of those indicators were locally important, hence were included in the Council's Corporate Plan and embedded in the report. The whole set of these indicators is included in **Appendix A**, with a summary of the Council's performance provided in the Introduction.
- 4.5 The Annual Report also provides a summary of budgets for the year and the regulator's findings.
- 4.6 This is an important document as it provides citizens and stakeholders with detailed information about the Council's performance against its planned improvement priorities and outcomes for citizens. It also includes those national comparable measures to give a full picture of how we performed across a range of services.
- 4.7 Once approved, the Annual Report will be published on the Council's website and shared with stakeholders. Hardcopies of the report will be produced and placed in the Council's public libraries. A summary of the report will also be prepared to highlight key points in the Council's performance and will be placed in the public libraries, too.

5. Effect upon Policy Framework & Procedure Rules

- 5.1 The Annual Report provides an assessment of progress on the Corporate Plan 2016-20 which forms part of the corporate policy framework.

6. Equality Impact Assessment

- 6.1 The Annual Report provides information on the Council's performance and has no negative equality implications.

7. Financial Implications

- 7.1 The Annual Report has no financial implications.

8. Recommendation

- 8.1 Subject to any amendments by Cabinet on 3 October, that Council approves the Annual Report 2016-17 (**Appendix A**)

Darren Mepham
Chief Executive

Contact Officer: Yuan Shen
Group Manager,
Corporate Performance, Partnerships and Transformation.

Telephone: (01656) 643224

E-mail: Yuan.Shen@bridgend.gov.uk

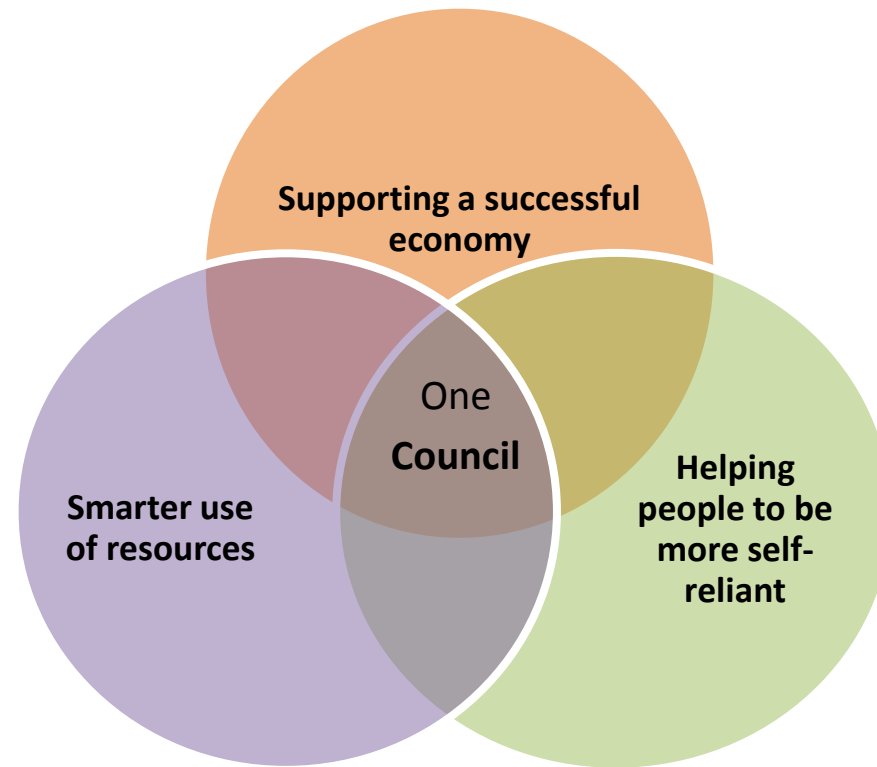
Postal Address Corporate Improvement Team, Civic Offices, Angel Street, Bridgend.
CF31 4WB

Background documents

- Corporate Plan 2016-20
- The Auditor General's Annual Improvement Report (September 2017)

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Annual Report 2016-17



Bridgend County Borough Council
Working Together to Improve Lives

Introduction

Welcome to Bridgend County Borough Council's annual report for 2016-17. This report summarises what we achieved in 2016-17 in carrying out our priorities set out in our new Corporate Plan 2016-20. These priorities are: supporting a successful economy, helping people to be more self-reliant, and smarter use of resources. We hope that you find it informative and helpful.

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As in previous years, we experienced a reduction in our resources, and had to find savings of £7.477 million for the year. As part of our budget consultation process, we once again asked citizens to help us in deciding where we should prioritise our spending, and we worked hard to take those views into account when determining what areas we could regrettably reduce resources on and those areas which we should prioritise and continue to focus on.

It has been a challenging year with ongoing budget reductions and it won't necessarily get easier in coming years. Despite the challenging environment, we prided ourselves on achieving most of what we planned to do to implement our priorities and at the same time delivering core services to meet our citizens' needs. In all, we made 46 commitments for the year. We fully achieved 32 (nearly 70%) of them, with a further 11 (24%) that were mostly completed.

Priority One: Supporting a successful economy

- We supported 722 local people develop skills and take advantage of opportunities to succeed through our Communities for Work, Bridges into Work and BESP programmes.
- We saw the percentage of pupils aged 15 who achieved the Level 2 threshold increase from 59.7% to 61.7%, and the percentage of pupils at A level achieving the Level 3 threshold (2 A levels grades A - E) increase this year from 97.6% to 98.3%.
- We saw a rise in the number of PAYE/VAT registered businesses in the borough increase for the third year during the year from 4,440 to 4,540.
- Our visitor numbers rose from 11,541,363 to 13,026,637 and the value of total annual expenditure by tourists also increased from £313 million to almost £330 million.

Priority Two: Helping people to be more self-reliant

- We developed a single point of contact which was used by 2,108 adults and 2,042 children for people to access information, advice and assistance.
- Our reablement service supported 394 older or disabled people maintain independence by managing as many daily living tasks as possible on their own.
- We invested in targeted early help and intervention programmes to reduce our numbers of looked after children. Of children we supported, 75% now remain living within their family.
- We supported 3,879 individuals and families through our Families First programme to help reduce child poverty.
- To support carers in maintaining their roles, 277 adult carers' and 51 young carer assessments were completed.

Priority Three: Smarter use of resources

- We achieved £5.632m (75%) of planned savings, with the remaining £1.845m achieved through maximising grants, other income and vacancy management.
- To improve the efficiency of and access to services we continued to rationalise our administrative estate by reducing the number of our buildings and streamlining our structure.
- We generated £5.625m of capital receipts from our asset disposal programme, exceeding our £4m target.
- 231 Managers attended training to improve their People Management Skills, 295 employees undertook Welsh language training and 59.1% of staff completed e-learning modules.
- In our aim to make the most of our spend on goods and services, we worked closely with third sector and SME's upskilling the market and ensuring that local providers are 'tender ready' and able to bid competitively against national organisations.

Our commitment to develop a range of automated and online services that are easy for citizens to use experienced some delay. This is due to the fact that we did more work than originally planned to ensure that public are happy to use those automated services.. Our desire to put in place three new income generation initiatives did not come to fruition as planned due to internal management changes, which led to a temporary reduction in capacity, as well as changes in EU law. As part of our transformation programme, we planned to transfer a number of suitable assets to community groups and organisations for them to run to meet local needs. We've done a lot of work during the year, including reviewing our assets and services. A total of 66 community organisations, predominantly sports clubs and associations, contacted us about undertaking the management of 55 different assets, primarily pavilions and playing fields. Although we did not meet our target of 5 community assets being transferred, 19 applications were at differing stages of development, ranging from formal expressions of interest to have assets transferred, to submitting business cases or seeking final approval. Work will continue to ensure that those assets suitable for transfer can be progressed effectively and efficiently.

Within the Corporate Plan, we also identified a number of indicators to measure how successful we were at delivering on each of our priorities. As this is a new Plan, we were yet to set targets for all our indicators. Of those with a target, we met or exceeded the target for 59.2%, with further 12.2% missed the target marginally. Of those indicators that missed the target, 25% showed improvement, 45% were new indicators which made it hard to set challenging but realistic targets, and a further 15% were influenced by external circumstances. Overall, 74% of all indicators with comparable data showed improvement.

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Each year, the Welsh Government and the Welsh Local Government Association publish a range of national performance indicators which enable citizens to compare how their local authority performed against the other 21 Welsh local authorities across a whole range of services. Although this report focuses on our delivery of locally important priorities defined by our corporate plan, we also include those national comparable measures to give a full picture of how we have performed.

In 2015-16, 70% of our national indicators showed improvement, rendering us the top two most improved LAs in Wales. In 2016-17, we continued to make improvement on most of the PIs that are locally important. For example, 73% (8 out of 11) of our Education indicators either showed improvement or remained at the maximum performance rate compared with 64% nationally. The average point score for pupils aged 15, in schools maintained by the local authority, improved from 527.6 in 2015-16 to 564.1 in 2016-17, against a national average of 531. Thanks to ongoing support from parents, we are particularly pleased that our pupil attendance at both primary and secondary schools improved, ranking us within the top six best performing authorities in Wales. Overall, our road conditions continued to improve despite the diminishing resources. We ensured that nearly 97% of reported fly tipping incidents were cleared within five working days. We are among the top performing authorities that attract high numbers of citizens to its sport and leisure facilities. We continued to provide improved services to those who need them most. For the fourth consecutive year, the Council ensured that none of our pupils in LA care in any LA maintained school at the age of 15 who leave compulsory education, training or work-based learning did so without an approved external qualification. For the second consecutive year we ensured that 100% of final statements of special education need (excluding exceptions) were issued within 26 weeks, against a national average of 95.4%. We reduced the number of days taken to deliver a Disability Facilities Grant.

Details on all our Corporate Plan and national indicators are included in the report, with detailed analysis showing how we have performed nationally against the other 21 authorities, where relevant, as well as how we have performed against the targets we set ourselves for the year.

Despite diminishing resources and an ever greater demand on our services, we are proud of what we have achieved, and we remain committed to continuing to innovate and transform the authority, working with our partners and local communities to do so. We do this so that we can provide those services that are important to our citizens in the most effective way, with the aim of improving lives for all those who reside in Bridgend County Borough.

Feedback

We welcome your comments on this annual report and your suggestions for improvement. You can give your feedback through writing to our Corporate Improvement Team, Civic Offices, Angel Street, Bridgend, CF31 4WB, or through Twitter: @BridgendCBC, or email to Improvement@bridgend.gov.uk. You can also ring (01656) 643224.

This report is available in both Welsh and English. It is also available in another language or format on request.



Huw David – Leader of the Council



Darren Mepham - Chief Executive

Priority One – Supporting a successful economy

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We want to have a strong economy: that way local people will have more opportunities to secure a job, develop a career and improve their family income and circumstances. Lower levels of poverty can also boost health and wellbeing and create more resilient communities that need fewer services. When consulted, 86% of citizens agreed that it was important for us to focus on supporting a successful economy.

In 2016-17, we committed to continue to improve our town centres and work with businesses to generate wealth, provide jobs, attract investment, work towards a low-carbon economy, improve skills and encourage visitors.

How did we do in 2016-17 to fulfil our commitments and achieve outcomes for our local economy?

To help local people develop skills and take advantage of opportunities to succeed and to extend that success to every community in the County Borough

Our Performance

We implemented projects with public sector bodies and local businesses to establish skill need and influence local provision. During the year, we held wellbeing events at a local comprehensive school where over 30 local employers and public sector organisations engaged directly with Year 11 learners making their post 16 destination choices. Some 400 students attended a 'Have a go' Apprenticeship event which provided learners with an opportunity to help them decide on their future career choices. The events were very successful, with more schools expressing an interest to be involved in the project next year. We also established a working group of local employers to identify local needs and develop appropriate courses and apprenticeship frameworks going forward.



We worked with the regional Learning, Skills and Innovation Partnership (LSKIP) and the 21st Century Schools Programme to develop employment opportunities. We negotiated and embedded community benefits into 4 major construction schemes. The Betws School apprenticeship offer was agreed with Y Prentis Shared Apprenticeship Scheme and Bridgend College and Kier worked with Coastal Housing and offered opportunities to local young people through Bridgend Employment Liaison Partnership (BELP). Apprenticeship schemes are also underway for both Garw Valley South and the Brynmenyn 21st Century School Sites. We developed partnership working between Adult Community Learning, Communities First, DWP and local employers. As a result of the range of opportunities provided by Adult Community Learning and partners, 332 people accessed the employability and pre-employment provision, 180 people gained employment and many more accessed Digital Inclusion and Skills session. In addition, we also built 3 permanent apprentice positions into our ICT structure and secured 4 apprenticeships/traineeships as a result of the 21st Century Schools Programme and other BCBC led projects.

We continued to work with individuals and families within Bridgend County who are unemployed, economically inactive, face barriers to work or are at risk of poverty. Our Bridges into Work programme provided opportunities for individuals aged 25 and over to develop skills, engage in training, gain qualifications, take part in volunteering opportunities and/or work placements. We supported 253 participants to take part in a training and qualification programme to enhance their skills and assisted in job search applications and interview techniques. Our programme out performed other local authorities in the Consortium and job opportunities for participants were improved. There were 135 participants who gained qualifications, 68 gained volunteering positions and 38 secured employment. Due to the programme's success, we have applied for a two-year extension has been. Our 'Opportunities 2 Work' project supported people who are furthest away from the labour market into volunteering and work placement positions. These range from ground maintenance, office admin, retail, catering and care. During the year, 57 of the 78 participants completed the programme, with 15 securing employment. BEBP delivers a variety of employment programmes including employability skill development such as interview skills and CV writing all the way up to pre-employment packages. We worked in close partnership with local employers such as Amazon and Home Bargains generating a lot of employment in the area. Some 325 participants completed an employment related course, 231 of these gained an accredited qualification and 180 entered employment.



With partners, we implemented the LEAD (more able and talented) project to support young people with leadership potential to succeed. We assisted 12 young people who had shown leadership potential to develop skills in order for them to succeed. Ten young people progressed through the programme with two leaving the programme earlier than planned as they successfully secured full-time employment. The ten worked with their mentors on the community projects and attended a range of leadership courses. The programme finished at the end of this academic year.

Education is fundamental to helping people achieve their potential and improving the economy and remains a key priority for us. Overall, our results this year showed a steady improvement. The percentage of pupils aged 15, at the preceding 31 August, in schools maintained by the local authority who achieved the Level 2 threshold including a GCSE grade A* - C in English or Welsh first language and mathematics increased from 59.7% to 61.4% and was above the Welsh average of 60.33%. The average wider points score for learners aged 17 increased this year from 776.5 to 806.2. The figure is an improvement but remains below the Welsh average which increased this year from 799.7 to 823.2. Schools are challenged over their performance on an annual basis as part of the review of sixth form provision. Across the borough, the percentage of pupils at A level achieving the Level 3 threshold (2 A levels grades A - E) increased this year from 97.6% to 98.3% in Bridgend. This figure is better than the Welsh average which rose this year from 97.0% to 98.0%.

We worked with schools and partners to close the gap in educational attainments between pupils eligible for free school meals (FSM) and those who are not and improve outcomes for vulnerable groups. Underachieving pupils were identified and provided with mentor support and reports were introduced to monitor the progress of those learners eligible for FSM. Communities First also provided a range of additional support including bespoke literacy and numeracy interventions. The size of the gap, however, increased from 27.2% to 32.5%. While educational attainment is improving for all learners at key stage 4, the rate of improvement is slower for vulnerable groups. The trend over the last three academic years is still one of improvement but is subject to fluctuation. Achieving consistent improvement in the attainment of pupils eligible for FSM is an area for improvement. The LACE Team continued to support Looked After Children, schools and carers to enable them to achieve their full potential. At 216.3, their performance is slightly below the target of 217 average point score this year. The LAC population is small. Of the 36 young people in Year 11 in 2015-2016, 19 have additional learning needs and 12 attend special schools.

We completed our work with schools to develop a range of options for young people who are more able and talented (MAT) than their peers. The description usually describes students who have the ability to excel academically in one or more subjects and/or have the ability to excel in practical skills such as sport, leadership. We adopted the MAT national definition and put pathways in place across schools to support pupils identified as more able and talented. We focused on pupil wellbeing and high ambition for all our learners and in 2016-17 we had the best ever GCSE results, improving for the fifth year in a row with 61.7% of Year 11 pupils achieving GCSE grade A* - C in English or Welsh first language and mathematics. A Level results rose with the percentage of pupils at A level achieving 3 A*-A grades at A level increasing this year from 5.3% to 6.1% but it remains below the Welsh average which dropped from 7.9% to 6.7%. We supported our most able sixth form students to achieve their academic potential and gain access to leading universities through strategies including the Seren Network which runs workshops and events led by specialist speakers from higher education, to ensure those identified as MAT are fully supported to achieve their potential. It was also pleasing that Pencoed Primary school achieved the NACE (National Association for Able Children in Education) Cymru Challenge Award in recognition of their commitment to getting the best out of high achieving pupils.



We committed to co-ordinate and implement the Youth Engagement and Progression Framework (YEPF) to reduce the number of young people not in education, employment or training (NEET). We provided targeted offers of support when identifying and addressing barriers to education, whilst securing a 'suitable offer' into post-16 education, employment or training. We provided support to pupils who failed to make a successful transition from Year 11. We achieved a four-year decrease (year-on-year) in those young people who leave education without on-going education, employment or training in Bridgend. The proportion of our population of our young people in Year 11 reported as NEET continued to fall steadily, from 7.6% (2009) to 1.5% (2016).

We worked with our 'Pathway to Success' school to maximise opportunities for learners to develop and improve. We worked with Estyn to draw up an action plan which was monitored on a monthly basis with the aim to improve the school. As a result, there has been significant progress and the recent GCSE and A level results for the school showed positive improvement on the previous years and are the best results ever for the school.

We continued work to ensure that children and young people who reach age 16 are in further education, training or employment until at least age 24 in line with the Youth Guarantee. This government initiative guarantees an offer of a place in education, employment or training for everyone leaving compulsory education at 16. The Youth Guarantee is fully embedded into our local strategy, operational practice and our post 16 agenda. As a result, 100% of schools met the Learning and Skills Measure at KS4 and Post-16 in the 2015-16 academic year and all learners 14-19 had Learning Pathway plan for progression planning and recording sources of support. Through the 'Inspire 2 Achieve' initiative, we supported young people (16 to 24 years old), who are deemed the most 'at risk' of becoming not in education, employment or training (NEET) by increasing the number of Lead Workers from 6 to 15. Funded through the Inspire 2 Achieve initiative, these workers are based in all secondary, special and behavioural schools and Bridgend College to identify and address any barriers to engagement. We continued to work in partnership with Careers Wales to improve further the quality of impartial careers advice and guidance so that young people make good decisions and thereby sustain places in education, training or employment to age 24.

Through 2016-17 we worked with schools to conduct a strategic review into the development and rationalisation of the curriculum and schools estate provision. We wanted to ensure there is a sustainable and effective pattern of education provision across the Borough whilst delivering the right education in the right place, with the best outcomes for learners. The review looked at four areas of work namely, a strategy for leadership and collaboration, curriculum and workforce, post 16 education and school modernisation. Throughout this review we linked with the Central South Consortium (CSC) regarding curriculum and collaboration. The CSC developed a strategy and delivered an approach to school trailblazer federations. They are also developing a strategy to ensure schools are prepared to adopt Welsh Government's proposals for a new curriculum. The School Modernisation project focused on meeting the need for pupil places across Bridgend and identified for Welsh Government the broad schemes required to meet that need. Work will continue to ensure we provide Post 16 learners with a breadth of learning opportunities in Bridgend.

To create conditions for growth and enterprise

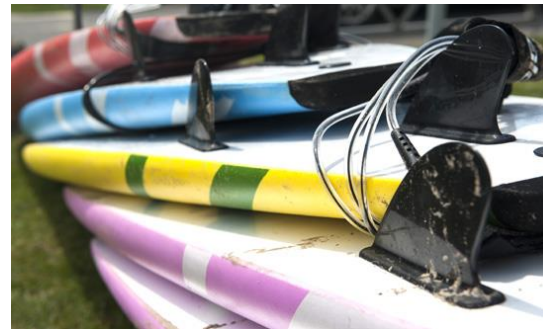
Our Performance



The Porthcawl Resort Investment Focus Programme is key to growing the value of tourism in our local economy with the aim to increase employment and business opportunities. The Maritime centre project and the Water Sports centre at Rest Bay are at varying stages of development with both projects having considerable support from the local community. The planning application for the £7m maritime centre was approved in October 2016, with the building expected to open by 2019. The project which was awarded a £1.1m Big

Lottery grant in October 2016 will offer a coastal maritime science and discovery centre, including environmental, culture, local history and community learning. There will also be an indoor gallery, an outdoor amphitheatre, along with office space and a café/bistro and facilities for lifeguards and emergency services. The centre is aiming to offer the equivalent of 50 full time jobs

The Water Sports Centre forms part of an initiative to establish an iconic multi-centre of excellence for watersports activities in Rest Bay, Porthcawl. As well as providing a new seaside café / bistro, the redevelopment will include a centre for watersports for use by clubs, associations and private sector operators. The intention is to create a year-round 'hive' of watersports activity, which appeals to a broad audience of learners and enthusiasts but also to a wider range of visitors. Funding is currently being sought for the project.



We committed to contribute to the development of the business plan for the Cardiff Capital Region City Deal, with the aim of helping boost economic growth across the region by increasing skills and improving transport links through projects including the South East Wales Metro. In February 2017, Bridgend along with 9 other councils, signed up to the programme, which has been agreed by Welsh

Government and seeks to deliver a £1.2 billion investment into the region over the next 20 years. The initiative is at an early stage with an aim to ensure that the investment benefits the whole region and leads to new jobs and private sector investment in our economy. Work to establish collaborative arrangements (e.g. on regional transport) are well underway and work on key themes (such as housing and economic development) are progressing. It is anticipated that the City Deal will generate around 25,000 jobs in the Cardiff Capital Region, as well as £4bn of private sector investment. This will help



To create successful town centres

Our Performance

We continued to invest in our town centres to enhance existing facilities and provide new facilities including schemes in Porthcawl Harbourside, Maesteg and Bridgend. We undertook regional projects under 'Buildings for the Future' which were assessed by Welsh Government. This resulted in projects for both Bridgend and Maesteg. The projects are a potential housing/commercial and community uses project at Wyndham and Cambrian House and the restoration and modernisation of the Maesteg Town Hall in conjunction with Awen Cultural Trust. The Maesteg Town Hall proposal is a £4m redevelopment programme designed to create a 'cultural hub' by improving the performance facilities, developing a new modern fit for purpose built library for the town. Both of these projects are now proceeding to the next stage, with development work continuing on both.

Work began in September 2016 on restoring the Grade II-listed Jennings building, which created more than 30 jobs during the construction phase. The ground floor of the building is being converted into commercial units, with a 5,000sq ft theatre-style restaurant and bar, complete with a full atrium. The upper level features 13 live-work units which will allow people to live and work on site and it is anticipated when fully completed will create further employment opportunities.



The Rhiw Car Park was completed on time and on budget providing the town centre with a striking, modern multi-storey parking facility that features 242 bays, dedicated disabled parking, a customer lift and improved lighting. The car park is the first phase of a £9m



project funded by Welsh Government, Coastal Housing Group and ourselves. The fit out of the exterior of the new commercial unit and the 28 residential flats began during the year, with the aim of establishing a community of residents who will live at the heart of the town centre and support local trade. The anticipated end date is late summer of 2017. The building disruption in the town centre and loss of a car park may have resulted in the increase in the number of vacant premises from 55 to 67 during the year. A vacant

property working group has been established to monitor the situation and we are working closely with property owners and letting agents to encourage occupation where possible.

us achieve our long term aim of having a higher percentage of working age population that is in employment which fell to 69.6% from last year's figure of 71.9%.

We increased the amount of residential accommodation available by working with partners to bring empty properties back into use through empty homes grants and loans. By the end of the financial year, 28 grants (28 units) and 14 loans (26 units) were completed. In addition we had a further 33 empty homes grants (37 units) and 5 loan applications (24 units) in progress. Further communication with owners of empty residential properties in the county borough will be undertaken during the next financial year, to see if we can bring even more properties back into residential use.

We worked with the Bridgend Business Forum to review business support in the context of the City Deal and establish a development strategy. The Bridgend Business Forum has grown over the last 9 years from 0 to 800 members. Based on research in consultation with forum members, we established an executive group to strengthen the forum's capacity with a view to it playing a greater role in regional structures such as City Deal. We remain committed to nurturing local businesses and supporting the work of the Bridgend Business Forum continuing to work on the development strategy over the next two to three years. We were pleased to see that the number of PAYE/VAT registered businesses in the borough increased during the year to 4,540.



We developed and reviewed with Welsh Government the first draft of a Low Carbon Transition Strategy as part of the first phase of the Energy Technologies Institute (ETI) programme to establish local heating projects and explore collaborative opportunities for energy programmes regionally. The two proposed renewable energy projects would cut bills for thousands of homes in the borough. In the Upper Llynfi Valley, it is proposed that heat is taken from underground mine water to provide energy for nearly 1,000 homes. The second project focuses on creating a modern 'heat network' to eventually replace gas boilers in up to 10,000 Bridgend properties. It is expected that a final plan will be completed by Autumn 2017 when phase two of the project will then be explored.

We were pleased to see that despite the disruption that regenerating an area can bring, the number of visitors increased to almost 8 million in Bridgend and to just over 5 million in Porthcawl. The value of total annual expenditure by tourists also increased from £313 million to almost £330 million.

The second phase bid for Porthcawl Town Heritage Initiative was unsuccessful and will be resubmitted to the next round, following guidance from the Heritage Lottery. Once resubmitted, the scheme will support the sensitive repair and restoration of buildings in John Street as part of the newly extended Porthcawl Conservation Area, with outcomes and priorities agreed with the Heritage Lottery Fund.

In all, there was £31.5 million of externally funded town centre regeneration projects underway or in development during the year. We consented to 17 residential units in Bridgend town centre in addition to the 28 already completed as part of the Rhiw redevelopment scheme.

We supported the development of a Business Improvement District (BID) in Bridgend Town Centre. In all, 84 businesses out of 128 voted in support of the trader-led proposal designed to give local businesses an opportunity to have a say on whether they wanted to have a direct involvement in the future development of the town centre. A BID company, CF31, was founded and a BID manager appointed with an office base established in the Rhiw Shopping Centre offices. We are committed to working with our partners to explore opportunities for grant funding and investment that will continue to deliver benefits for people who live, work, visit and shop in Bridgend town centre.



Please note: for all our outcome measures some of the indicators within this report are measuring long-term outcomes we want to achieve for our citizens and our services will contribute to them. The long-term outcome indicators are not suitable for specific targets, hence “increase” or “decrease”. Data for these long-term outcome indicators take time to collect and for those indicators we use the latest data available for reporting. Please also note that some data for 2016-17 are provisional, yet to be validated.

The trend arrow refers to the improvement trend an improvement trend will indicate an upward arrow.

Key:	↑ = increased or maximum performance	↓ = performance declined	↔ = performance stayed the same		National Performance Indicator
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OUR OUTCOME MEASURES FOR PRIORITY ONE – SUPPORTING A SUCCESSFUL ECONOMY

Aim - Help local people develop skills and take advantage of opportunities to succeed and to extend that success to every community in the County Borough

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The number of participants we expect to work with under Communities for Work, BEWP and Bridges to Work (Higher preferred)	<i>Not applicable. New indicator identified for 2016-17</i>		776	722	n/a	n/a	n/a	n/a	Performance below target because of the late starting date of Communities for Work due to discussions with Welsh Government.
The number of apprenticeships and traineeships a) arising from the 21st Century schools programme and other BCBC-led projects and b) taken up by people who live in Bridgend (Higher preferred)	<i>Not applicable. New indicator identified for 2016-17</i>		(a) 4 (b) 2	(a) 4 (b) 3	n/a n/a	n/a n/a	n/a n/a	n/a	Target met.
The number of participants successfully completing community LEAD projects (Higher preferred)	<i>Not applicable. New indicator identified for 2016-17</i>		12	12	n/a	n/a	n/a	n/a	Target met.

Education Measures - (Figures for educational achievement relate to the previous academic year and actual results have been included where indicated)

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The percentage of Year 11 leavers from schools in the Authority identified as not being in education, employment or training in the Careers Wales Annual Destination Survey Statistics (Lower preferred)	3.6% (60 leavers)	3.2%	3.4%	1.5%	↑	2	n/a	n/a	Significantly exceeded target and below the Wales average.
The percentage of schools meeting Learning & Skills Measure at Key Stage 4 & Post 16 (Higher preferred)	<i>New for 2015-16</i>	100%	100%	100%	↑	n/a	n/a	n/a	Target met and performance sustained.

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Average wider points score for learners aged 17 (<i>Higher preferred</i>)	806	777	810	806	↑	823	n/a	n/a	Narrowly missed target remains below the Wales average, which increased this year from 800 to 823.
The percentage of pupils at A level achieving Level 3 threshold (<i>Higher preferred</i>)	96.6%	97.6%	98.6%	98.3%	↑	98%	n/a	n/a	Narrowly missed target but performance improved and better than the Welsh average which rose this year from 97.0% to 98.0%.
The percentage of pupils achieving 3 A*-A grades at A level (<i>Higher preferred</i>)	7.1%	5.3%	7.5%	6.1%	↑	6.7%	n/a	n/a	Below target and the Wales average which dropped this year from 7.9% to 6.7%.
The percentage of pupils aged 15, at the preceding 31 August, in schools maintained by the local authority who achieved the Level 2 threshold including a GCSE grade A* - C in English or Welsh first language and mathematics (<i>Higher preferred</i>)	54.8%	59.7%	61.1%	61.4%	↑	60.7%	59%	10	Exceeded target and higher than the Wales and South East Wales averages. Despite this, ranking dropped from 9th to 10th.
The size of the gap in educational attainments between pupils 15+ entitled to free school meals and those who are not (measured by Level 2 inclusive indicator) (<i>Lower preferred</i>)	36.3%	27.2%	23.8%	32.5%	↓	31.2%	n/a	n/a	Below target but the general direction is improving although fluctuating this year.
Average external qualifications point score for 16 year old Looked After Children in any local authority maintained learning setting (<i>Higher preferred</i>)	262 (41 children)	283.85	217*	216.3	↓	269	n/a	8	Marginally below target. This data ceased to be collected and published at a national level by Welsh Government. As a result, comparison against other LAs and All Wales averages is no longer possible.

*Static target reflects our knowledge of that year's cohort.

Aim - Create conditions for growth and enterprise

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016 - 17	SE Wales Average 2016-17	National Ranking	Comment
The number of VAT/PAYE registered businesses in the borough (<i>Higher preferred</i>)	4,090	4,440	Increase	4,540	↑	n/a	n/a	n/a	Exceeded target for third year.
The number of construction schemes for which the local authority has negotiated community benefits (<i>Higher preferred</i>)	<i>Not applicable. New indicator identified for 2016-17</i>		6	4	n/a	n/a	n/a	n/a	Target missed due to delays in two of the schemes.
The percentage of working age population that is in employment (<i>Higher preferred</i>)	69.8%	71.9%	Increase	69.6%	↓	71.4%	70.7%	n/a	Lower than last year but outside our control.

Aim - Create successful town centres

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Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Total annual expenditure by tourists (Higher preferred)	£306.62m	£313.02m	£313.02m	£329.76m	↑	n/a	n/a	n/a	Exceeded target.
The number of visitors to town centres (footfall for Bridgend, Porthcawl) (Higher preferred)	Bridgend 5,354,363	Bridgend 6,527,906	Increase	Bridgend 7,971,331	↑	n/a	n/a	n/a	Significant increase on previous years' performance.
	Porthcawl 3,975,792	Porthcawl 5,013,457		Porthcawl 5,055,306	↑				
The number of vacant premises in town centres (Lower preferred)	Bridgend 55	Bridgend 55	Bridgend 55	Bridgend 67	↓	n/a	n/a	n/a	Overall steady improvement. Bridgend's result is disappointing but could be influenced by disruption caused by regeneration works in the town centre.
	Maesteg 19	Maesteg 19	Maesteg 19	Maesteg 10	↑				
	Porthcawl 17	Porthcawl 16	Porthcawl 17	Porthcawl 10	↑				
The number of residential units in Bridgend town centre, that have been (a) consented (b) completed (Higher preferred)	<i>Not applicable. New indicator identified for 2016-17</i>		(a) 8 (b) 28	a) 17 b) 28	n/a n/a	n/a	n/a	n/a	Target met and exceeded.
Financial value of externally funded town centre regeneration projects underway/in development (Higher preferred)	<i>Not applicable. New indicator identified for 2016-17</i>		£23m	£31.537m	n/a	n/a	n/a	n/a	Exceeded target significantly.

Priority Two - Helping people to be more self-reliant

In April 2016 the Social Services and Wellbeing (Wales) Act 2014 (the Act) came into force. The Act aims to improve the well-being of people who need care and support, and their carers. It also promotes a range of preventative services available within the community to reduce the need for formal, planned support. It meant that we continued to change the way we deliver services and support to people in Bridgend. We continued to provide good information, advice and assistance to the residents of Bridgend so that they were better equipped to manage situations themselves and the Council services could concentrate on those in greatest need.

We also focused on working with the third sector, the not-for-profit and private sector, to support communities to develop their own approaches to local issues and meet people's needs within the community.

How did we do in 2016-17 to fulfil our commitments and achieve outcomes for our community to be more self-reliant?

<p>Give people more choice and control over what support they receive by providing early access to advice and information</p>	<p>Reduce demand by investing in targeted early help and intervention programmes</p>
<p style="text-align: center;">Our Performance</p> <p>We developed local community coordination by appointing 2 more Local Community Coordinators to enable communities to be more self-reliant. We now have a Coordinator in the Ogmere, Llynfi and Garw valleys, working with young people, vulnerable adults, people with disabilities and carers to help them live as independently as possible. The local community co-ordinators supported 167 people to access community opportunities diverting them from statutory services.</p> <p>We developed appropriate mechanisms so that we could provide good information, advice and assistance to the public. We set up a single point of contact for people requiring help. We uploaded local information on the DEWIS Cymru website, a social care and well-being information website for citizens living in Wales. We commissioned Age Connect to provide an Information Brokerage service to promote early intervention and prevention, including signposting to community based support, activities, facilities and opportunities. During the year 2,108 adults and 2,042 children received advice and assistance from our information, advice and assistance service.</p> <p>We continued to involve service users, carers and communities in developing and commissioning services. In 2016/17, we undertook a wide-reaching consultation exercise to collect qualitative information about people who use social care services.</p> <p>We used surveys, questionnaires, online surveys, focus</p>	<p style="text-align: center;">Our Performance</p> <p>To help reduce demand for services, we produced a joint strategy across the teams working in targeted early help and intervention, and an action plan which focused on the work to safely reduce the numbers of looked after children. As a result the percentage of children supported to remain living within their family increased from 65% in the previous year to 75.6% in 2016-17. However, we narrowly missed our target of 12% of looked after children having 3 or more placements during the year but our performance of 13.08% was better than the previous year.</p>  <p>We continued to develop our multi-agency safeguarding hub (MASH). We made some progress on creating a single point of contact for all referrals, and most of the agencies working in MASH co-located within the Safeguarding Assessment Team. This team comprises a statutory services social work team, an early help team plus other specialists. However, it has taken longer than expected to find suitable accommodation which has impacted progress. All other work streams - ICT, Policies and Procedures and Information Sharing - are on target for the MASH to 'go live' in autumn 2017.</p> <p>We said that, in 2016-17, we would review and consider new models of service delivery for respite and residential care to ensure there is a flexible supportive service for people when they need it. Most of our work this year focused on respite care for children. We agreed and set up a new model of short breaks for children with disabilities in Bakers Way and began building work on a new 52 week provision for children with very complex needs. This means that the children will be able to stay in the borough rather than moving to a high cost placement far away from their family. A wider review of residential care, however, is being undertaken and is being consulted on.</p> <p>People told us that they want to stay in their homes for as long as possible so we continued to develop our homecare support services. As a result we reduced the average length of time older people (aged 65 or over) are supported in residential care homes from 1055 days to 899 days. We also reduced the number of people supported in long term care (residential) from 700 to 683 and increased the number of people who received a Telecare package from 2643 to 2921, enabling them to stay at home. However, we missed our target of 85 years being average age of people entering residential homes. This was because of a small number of adults under 65 years with complex disabilities entered residential care homes during the year and reduced the average age to 81.56 years. We reduced</p>

groups, elected members rota visits, complaints and compliments and consultation events. We asked 487 children and young people and 1272 adults what they thought about the services and support they received. We received 465 returns from adults, a response rate of 37%. 487 questionnaires were sent to children. 77 were returned a response rate of 16%. We sent out 41 questionnaires to carers (over 18 years) 13 returned, a response rate of 32%. The responses showed that 80.2% of people reported that they felt involved in any decisions made about their care and support, with 86.6% of people being satisfied with the care and support they received.

When asked, 80.8% of people reported that they received the right information and advice when they needed it and 86.6% of people reported that they were satisfied with the care and support they received.



Our reablement service supported 394 people. Reablement is short-term support designed to help older people or people with disabilities learn or re-learn skills and techniques,

and regain their confidence to manage as many daily living tasks as possible on their own. Of the people supported, 23.43% completed a period of reablement and six months later had a reduced package of care and support whilst 64.22% had no package of care and support.

We involved families/carers and young people themselves in the design of the new model for overnight Short Breaks services delivered from Bakers Way. We also involved families in selecting the agency to provide a housing support scheme for people with a learning disability.

the average length of time older people (aged 65 or over) are supported in residential care homes.

We developed service models for children in transition from childhood to adulthood, including children with disabilities and children leaving care. We started introducing a new transition service to support children with disabilities and their families as they move to adult services. The service is being introduced in a phased approach but progress to date has been slow.

For young people leaving care, we developed a range of move on and accommodation support services with Llamau and the Wallich. Llamau is providing a Crisis Intervention Service, a mediation worker, a development worker for supported lodgings. This is an accommodation based scheme for 16-17 year olds. The Wallich is providing a multi – agency and complex accommodation based scheme, a step down accommodation with support and an accommodation based scheme and tenancy move on floating support for 18-21 year olds.

With our partners, we set up a child sexual exploitation (CSE) Task Force to ensure that children at risk have the services necessary to support them. The Task Force addressed issues such as identifying and filling gaps in training, highlighting and tracking current and new CSE cases, monitoring and mapping children and young people who are reported as missing. In 2016-17 there were 672 occurrences of children reported missing to the police.

We continued to provide support to families through our Families First programme to help reduce child poverty. A total of 3,879 individuals / families accessed the Families First programme throughout the year. Of these, 1,553 accessed a commissioned project (single agency support); 220 families accessed support for having needs relating to disability and 353 families signed a TAF action plan. In addition, 164 young people and adults entered employment, education and/or training. One area of our programme is the Joint Assessment of Family Framework (JAFF) which provides a holistic assessment of support need for the family. The Team Around the Family (TAF) follows the JAFF by identifying support needed for those families requiring multi agency intervention. In all, 408 families completed a TAF support plan. Of those who completed the plan, 67% (273 families) saw their needs reduced or removed, which was a 17 % increase on the previous year. Other key areas of support included counselling support and supporting families with disabilities.

We took reasonable steps to help prevent homelessness, through early intervention, and cooperation from the household. We offered a range of activities such as resolving rent or service charge arrears, arranging accommodation with friends, relatives or returning home, mortgage arrears interventions or mortgage rescue. As a result the percentage of final duty homelessness acceptances as a proportion of all homelessness presentation dropped from 17.18% to 8.8% in 2016-17, a significant improvement.

We improved the early identification of children and families in need of support by completing arrangements for Early Help services. These included a 'one front door/one referral' form, a common assessment, as well as the relevant early help staff who carry out the new joint 'front door' arrangements being co-located with the Safeguarding Assessment Team.

The percentage of children in the Flying Start areas reached, exceeding or within one age band of their development milestones at age 3 years missed its target of 82%. A total of 236 children were assessed between the age of 35 and 37 months. Of all those children assessed, 67% (158) were either at or above their developmental norm or within one age band.



Support carers in maintaining their roles

Support the third sector, town and community councils and community groups to meet local needs

Our Performance

We worked with Action for Children and schools to support carers by providing the right information, advice and assistance where relevant. We ran a very successful programme of awareness-raising sessions for young carers in



our schools, with schools positive in adopting support arrangements for young carers. Young Carers are supported by the Young Carers Co-ordinator who is a member of the

Participation Network and the Anti- Bullying Network in order to keep school and local authority staff aware of young carers' issues. The Young Carer's Co-ordinator undertook 51 Young Carer Assessments this year. All assessments were for children of statutory school age and all were issued with Young Carer ID cards. We continued to work in partnership with Bridgend Carers Centre which provided 730 pieces of information, advice and assistance to carers through a variety of ways. Within the local authority, 277 adult carers' assessments were completed and incorporated into the assessment for the cared for person. As we only completed a low number (12) of stand-alone carers support plans, it suggests that the majority of the identified needs of carers were responded to within the support plan for the cared for person. The Care and Social Services Inspectorate Wales, our regulator, also commented on the excellent joint working we do with the Carers Centre, providing a crucial service for both carers and young carers.

We supported 250 people to stay at home through disabled facilities grants, helping them to maintain their independence.

Our Performance

We are committed to develop capacity of the third sector by finding new ways of working together. We worked closely with the Third Sector Stakeholder Reference Group to develop a joint strategy. This work is taking than expected and will remain a priority for us in 2017-18.

We set up a joint working group with Citizens' Advice Bureau to explore the impacts of welfare reform in the county borough. We identified that the greatest risk for residents is Personal Independence Payments but that there was an opportunity for the third sector to mitigate this. We are looking to start a third sector service in late autumn 2017.



We worked with Town and Community Councils to develop and publish a Town and Community Council Charter. The Charter sets out how all Councils will work together to build on existing good working relationships and each partner's commitment to delivering the provision and upkeep of local amenities.

We wanted community groups and the third sector to have more voice and control over community assets. Our Community Asset Transfer Officer met with sports clubs, community groups and Town and Community Councils to raise awareness of available opportunities. A toolkit to support community groups to manage transferred assets was developed and adopted. Community groups also received general and bespoke training via the CAT Business Support Contract. In all we supported eight community groups with packages of support to manage transferred assets, exceeding our target of three. We also started work on a new approach to supporting voluntary community centre management arrangements.

We are pleased to report that the Healthy Living Partnership with GLL/Halo exceeded participation targets for equalities groups such as older people, people with disabilities, girls, and women. We will take a similar approach with Awen Cultural Trust during 2017/18 based on the review of usage of assets and services such as Bryngarw Park, linked to our Strategic Equalities Plan. During 2016-17 the number of visits to our sport and leisure facilities where people participated in a physical activity rose from 9450 to 9600. The number of visits to public libraries during the year, per 1,000 population dropped slightly from 4351 to 4275. Whilst disappointing, this reflects results from across Wales.



We commission a wide range of services from the third sector to deliver support to older people, people with learning disabilities, people with physical disabilities and people with mental health issues. 365 adults received a service provided through a social enterprise, cooperative, user-led service or third sector organisation during the year. Organisations providing services included Crossroads Care, Trinity Care and Support, Sense Cymru, Drive, Cartrefi Cymru, Mirus, Reach and Ategi.

OUR OUTCOME MEASURES FOR PRIORITY TWO – HELPING PEOPLE TO BE SELF-RELIANT

Aim - Give people more choice and control over what support they receive by providing early access to advice and information

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Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The number of a) adults and b) children who received advice and assistance from the information, advice and assistance service during the year <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline	a) 2108 b) 2042	n/a n/a	n/a	n/a	n/a	No target set as this is a new indicator.
The percentage of people reporting that they felt involved in any decisions made about their care and support <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		70%	80.2%	n/a	n/a	n/a	n/a	No target set as this is a new indicator.
The number of people reporting that they have received the right information and advice when they needed it <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline	80.8%	n/a	n/a	n/a	n/a	No target set as this is a new indicator.
The number of people who are satisfied with the care and support they received <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline	86.6%	n/a	n/a	n/a	n/a	No target set as this is a new indicator.
The percentage of adults who completed a period of reablement and six months later have: a) a reduced package of care and support or b) no package of care and support <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline	a) 23.43% b) 64.22%	n/a n/a	n/a	n/a	n/a	No target set as this is a new indicator.

Aim - Reduce demand by investing in targeted early help and intervention programmes

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The number of appropriate contacts to Multi-Agency Safeguarding Hub <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline	0	n/a	n/a	n/a	n/a	Reporting will start when the Multi Agency Hub is fully operational.
The percentage of final duty homelessness acceptances as a proportion of all homelessness presentation <i>(Lower preferred)</i>	32.43%	9.09%	17.18%	8.8%	↑	n/a	n/a	n/a	Target exceeded.
The percentage of children supported to remain living within their family <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		65%	75.6%	n/a	n/a	n/a	n/a	Target exceeded.
The average length of time older people (aged 65 or over) are supported in residential care homes <i>(Lower preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		1055 days	899 days	n/a	n/a	n/a	n/a	Target exceeded.
The average age of adults entering residential care homes <i>(Higher preferred)</i>	<i>Not applicable. New indicator identified for 2016-17</i>		84yrs	81.56yrs	n/a	n/a	n/a	n/a	Target exceeded.

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The percentage of looked after children on 31 March who have had three or more placements during the year (<i>Lower preferred</i>)	11.8%	13.7%	12%	13.08%	↑	n/a	n/a	n/a	Definition changed - data no longer comparable across Wales. This is a complex area and there are many reasons why a child has three or more placements. Our performance improved though we narrowly missed our target.
The percentage of children in Flying Start areas reached, exceeding or within one age band of their development milestones at age 3 years) (<i>Higher preferred</i>)	77%	68%	82%	67%	↓	81%	n/a	n/a	Target was not met due to the delay in the expansion of the service.

Aim - Support carers in maintaining their roles

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The number of people supported through a disabled facilities grant to help them remain independent (<i>Higher preferred</i>)	150	303	222	250	↑	n/a	n/a	n/a	Target exceeded.
The number of assessments of need for support for carers undertaken during the year i) of those, the number that lead to a support plan (<i>Higher preferred</i>)	<i>Not applicable. New indicator identified for 2016-17</i>		35	12	n/a	n/a	n/a	n/a	Target missed due to most carers assessments being incorporated into the assessment for the support plan for the cared for person.

Aim - Support the third sector, town and community councils and community groups to meet local needs

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016 - 17	SE Wales Average 2016-17	National Ranking	Comment
The number of community groups using packages of support to manage transferred assets (<i>Higher preferred</i>)	<i>Not applicable. New indicator identified for 2016-17</i>		3	8	n/a	n/a	n/a	n/a	Target exceeded.
The number of adults who received a service provided through a social enterprise, cooperative, user-led service or third sector organisation during the year (<i>Higher preferred</i>)	<i>Not applicable. New indicator identified for 2016-17</i>		Establish baseline, but estimate 50-60	365	n/a	n/a	n/a	n/a	Target exceeded due to improved mechanisms to capture numbers. This measure only includes people who are in receipt of a care and support plan.
Third Sector Strategy	<i>Not applicable. New indicator identified for 2016-17</i>		In place	Not in place	n/a	n/a	n/a	n/a	Not achieved but work has progressed.
Town and Community Council Charter (<i>Higher preferred</i>)	<i>Not applicable. New indicator identified for 2016-17</i>		In place	In place	n/a	n/a	n/a	n/a	Target achieved.

Priority Three -Smarter use of resources

Over the period 2016-17 to 2019-20, the Council is expected to make recurrent budget reductions of some £35.5 million. Our target budget reduction for 2016-17 was almost £7.5 million and as in previous years, we continue to be committed to finding at least 50% of these reductions for the year by making smarter use of resources, and minimising any impact on services. As austerity continues, it becomes harder each year to make further budget reductions, but this year we continued to seek ways of working to save us money, primarily by making smarter use of our spending, our people and our buildings, making the most of the assets we retain.

How did we do in 2016-17 to fulfil our commitments and achieve outcomes whilst making smarter use of council resources?

To achieve the budget reductions identified in the Medium Term Financial Strategy	To improve the efficiency of and access to services by redesigning our systems and processes	To make the most of our physical assets, including school buildings
<p style="text-align: center;">Our Performance</p> <p>In 2016-17, we planned to make budget reductions of £7.477m, compared with £11.225m for 2015-16. Budget reductions of £5.632m (75%) of the planned savings proposals were achieved, with the remaining £1.845m achieved through alternative savings, the maximisation of grant and other income and strict vacancy management.</p> <p>We planned to save £450,000 from the Learner Transport budget for 2016-17 as the result of a policy change implemented in September 2016. However, the identified savings were not fully realised as there were no significant reductions in demand as anticipated and the requirement that we reassess all our safe routes to school. This meant we had to work much harder at achieving efficiencies elsewhere to mitigate against this spend.</p> <p>We did, however, make significant savings across all other areas, which included identifying services that could be provided more effectively and efficiently by other organisations.</p>	<p style="text-align: center;">Our Performance</p> <p>We committed to develop a range of automated and online services that are easy for citizens to use. The Digital Transformation programme will put our customers at the core of what we do by making our services more accessible online so that residents can pay for council products and report any local issues with the click of a few buttons. We already have the facility to pay for council tax online and some school meals can also be paid for electronically and we had planned to put a further 6 services online on a newly designed website. Our plan, however, experienced some delay. As part of this programme, we had planned for 30% of council tax customers to be able to access a 'my account' online facility, so that residents could log in securely and carry out any transactions they require. The scale of work needed to put all this in place is extensive, and has involved a complete redesign of our website, which is taking some time. We have, therefore, not been able to achieve this during the year, but continue to work with digital design specialists on identifying user needs that will help the website to take shape and complete the first phase of the 'my account' facility.</p> <p>We developed an integrated system, bringing together finance</p>	<p style="text-align: center;">Our Performance</p> <p>We continued to make progress on our commitment to provide new and improved schools to support the needs of all learners and their communities as part of the 21st Schools programme. Construction work began on two new primary schools on the site of the current Betws Primary School. These are the brand new Betws Primary School and the relocated Ysgol Gynradd Gymraeg Cwm Garw. A third new school, Brynmenyn Primary School is being relocated and built on the former site of Archbishop McGrath Catholic High School. Brynmenyn Primary school is due to open in Spring 2018 and will help us cope with a rising demand for school places in the Valleys Gateway area for many years to come.</p>  <p><i>Construction started on a state-of-the-art new Brynmenyn Primary School with pupils gathering on the site next to Coleg Cymunedol Y Dderwen for a special ceremony.</i></p> <p>We completed a consultation on the relocation of Pencoed Primary School and the Heol Y Cyw Campus to a new school building to be constructed on the current Pencoed</p>



We put in place a new model of service by developing an arts trust. Awen Cultural Trust, reshaped our Library Services and took over the delivery of our B-leaf and Wood-B services. This partnership arrangement saved us over £300,000.

We continued to make efficiencies through staff restructuring and reviewing how best to run services in the most effective way possible, enabling us to reduce our costs overall. We repaid loans early on ICT capital and reduced the cost of ICT systems, which enabled us to make further savings of £362,000.

We said we would identify and take forward at least three new income generation initiatives last year. We were unable to deliver this due to internal management changes, which led to a temporary reduction in capacity, as well as changes in EU law. We had planned to adjust credit card and debit card fees to achieve the full cost of recovery on payments. This was superseded by new EU regulations, which led to us achieving our financial target through reducing costs, so an increase in fees was not needed or appropriate. We are reviewing our current income generation initiatives with the possibility of identifying new initiatives for 2017-18.

and procurement systems and moving our most common internal processes to automatic to reduce transaction costs and streamline processes. This means when certain purchases are now made, they can be electronically authorised and automatically entered into the council's accounts. This removes the need for paper invoices to be manually authorised and the necessity for multiple data entries. It also creates back office efficiencies and improves the speed at which the council pays suppliers. Good progress was made during the year, with a phased roll out across suppliers. Next year, we will target our efforts towards the most common and repetitive spend to gain the greatest efficiencies.

We provided managers with access to our HR Database to view employee records including absence and training. This enabled them to be less reliant on HR for basic employee information. Direct access was also given for employees to update their own personal details on the system, making the process more efficient.

We reviewed and streamlined our legal and regulatory software and systems to improve our business processes. In 2015-16 we secured Welsh Government funding to webcast council meetings. Altogether we broadcast a total of 14 hours of meetings in 2016-17. This included 12 Development Control Committees, 2 Partnerships & Governance Overview and Scrutiny Committees and 1 Council meeting with total of 2,570 views, enabling residents to gain a better understanding of seeing how decisions which affect them are made. A draft webcasting plan is being developed in 2017-18.

The Shared Regulatory Service (SRS) implemented a new consolidated database replacing the 4 databases previously used across the 3 local authority areas for trading standards and environmental health functions. This was a significant task. The new database makes SRS more efficient as the system can be accessed any time of the day, regardless of location and it eliminates the need for each Council to carry out ICT maintenance whilst enabling opportunities for linking into the planned Public Protection Cymru initiative as other authorities also move towards using the database.

We further remodelled SRS by harmonising and improving our procedures and working practices. This reduced the need for three separate Food and Feed Law Service and Section 18 Plans. As a result, we improved our food business inspection programme by implementing an alternative programme of interventions in lower risk businesses that replaced resource intensive and time consuming full inspections so that we could

Primary playing fields. We are now in the process of entering into contracts for the Pencoed Primary, Brynmenyn Primary and Garw Valley South Schemes which are due to be completed by the end of 2019. Within the last decade, we have successfully completed a number of multi-million-pound projects including Archbishop McGrath Catholic School, Coleg Cymunedol-Y-Dderwen, Coity Primary School, Maesteg Comprehensive School, Penyfai CIW Primary School, Caerau Primary School, Ysgol Gyfun Gymraeg Llangynwyd and the Bryncethin Campus. These schools are among the very best in Wales, providing first class learning environments that will enable current and future generations of pupils to excel and achieve their potential. Much of our funding for school modernisation comes from Welsh Government. This year the expenditure target for the school modernisation programme was reviewed and adjusted during the year to ensure that we made best use of the funding.

We continued to rationalise our administrative estate to ensure the Council operates from one core office by March 2017. Major repair works began during the year on the Civic Offices, ensuring use for at least another 30 years. The work included replacing the badly leaking roof, introducing a new solar energy system, replacing windows,



cleansing and protecting exterior stonework, reducing energy costs resulting in less of an impact on the environment. This forms part of our initiative to deliver multi-million pound savings by reducing the number of offices and depots we run, streamlining our structure by disposing of the former Sunnyside site and relocating 250 staff from our Ravens Court premises so

that the building can be leased to bring fresh business into the town centre. The repair works coincided with work in Angel Street to extend the cycling and pedestrian route from Ravens Court over the Water Street Bridge and into the town centre. Due to the difficulty in leasing Ravens Court and renovation of the Civic Offices, we were unable to achieve the 3:2 ratio of staff to desk in Civic Offices nor the full reduction in operational assets running costs planned for in the financial year.

The enhanced asset disposal programme continued to progress well. We exceeded our target of £4m this year by generating £5.625m of capital receipts. We sold the former Ogmores school fields, the former pupil referral unit and released surplus education land at Maesteg and Tondy. These sales not only provided match funding for our school modernisation programme, but also provided the opportunity to progress on two new extra care facilities within the borough. The sale of the Jennings building enabled further enhancement of the Porthcawl harbour quarter and the release of land at Coychurch Road in Bridgend will deliver much needed affordable housing in the town. The disposal strategy will be reviewed in 2017-18 to reflect the need to generate revenue as well as capital receipts.

Citizen Feedback

In our public consultation on Shaping Bridgend's Future, we found that 76% (825 respondents) agreed they were happy for some council services to be provided by other organisations. Of those responding, 65% also agreed that we should focus our resources on meeting the needs of the most vulnerable residents before providing services for the majority. Care of older people, social services for children and services for disabled people were the top three services that respondents



wanted to protect. The provision of services online was the most popular budget reduction measure in the consultation. We also asked for other suggestions of how the Council could save money in the future. Of the responses received the most popular suggestion, with 225 respondents, was to streamline the Council, our workforce, offices and processes. We have taken these suggestions on board.

prioritise our resources to higher risk premises. Food procedures across the 3 authorities were harmonised to produce one set of SRS food procedures which were externally audited by the Food Standards Agency. A single telephone contact number: 0300 123 6696, went live in November 2016. Operated through the Vale of Glamorgan's call centre, C1CV, it enables service users to call a single number regardless of where they live in the region. This change to service delivery was largely focused on improving the customer's experience rather than delivering efficiency gains. Calls can now be logged more effectively, providing more reliable information about call volumes and service demand.

We wanted to improve our understanding of citizens' views by increasing responses to consultations. For the first time we used a mobile device or tablet in informal/community-based settings, at events or engagement stands to gather citizens' feedback. We used 'clicker pads' to make it easier, quicker and more interesting for young people in particular to provide feedback. Sixty 15-year-olds at Coleg Cymunedol y Dderwen used these to share their views on future engagement methods to target 16-25 year olds. As a direct result of their feedback, we created an Instagram account for the council, which we launched during the Urdd Eisteddfod.

This adds to our portfolio of social media accounts (Twitter, Facebook and YouTube), which are used to encourage citizens to share their views. We also introduced an online youth survey for the first time as part of the budget consultation, 'Shaping Bridgend's Future'. As a result, the number of interactions from citizens on the corporate social media accounts increased by 11.3% against a target of 10%.

If you would like to follow the Council on Instagram, visit www.instagram.com/bridgendcbc.

During the year we reviewed our assets and services in order to transfer those most suitable to community groups and organisations. We concluded that key strategic decisions, particularly relating to parks, needed to be taken before we finalised systems and processes for community asset transfer. These are currently being reviewed to reflect the current economic climate, future Medium Term Financial Strategy Savings (MTFS), and our previous experience of transferring community assets. During the year the four Town and Community Councils (Bridgend, Pencoed, Porthcawl and Pyle) progressed applications on the transfer of public toilets, pavilions and playing fields. A total of 66 community organisations, predominantly sports clubs and associations, contacted us about undertaking the management of 55 different assets primarily pavilions and playing fields. We did not meet our target of 5 community assets being transferred: however, 19 applications were at differing stages of development, ranging from formal expressions of interest to have assets transferred, to submitting business cases or seeking final approval. Work will continue to ensure that those assets suitable for transfer can be progressed effectively and efficiently.

We continued to work on making the Waterton site available to market for housing development as part of the Parc Afon Ewenni scheme. During the year, buildings were demolished on the site and some services relocated to the Bryncethin Depot. Technical reports were commissioned and a marketing programme developed. Discussions with adjoining land owners were held, with a view to encouraging comprehensive development at the site.

We implemented energy and carbon reduction measures and promoted good practice in all our public buildings to help them reduce their carbon footprint and achieve 3% carbon reduction. For the fifth year in a row, we significantly exceeded the target of 3% set by Welsh Government, achieving a 12.79% change in carbon dioxide emissions in the non-domestic public building stock. This performance has a beneficial impact on the council's energy bills and also reduces the council's carbon tax payments.

To develop the culture and skills required to meet the needs of a changing organisation

Our Performance

We supported managers to lead staff through organisational change by developing resources for managers. We provided toolkits, face to face training and e-learning to support managers to manage effectively in a changing environment. During the year 231 managers received training to improve their people management skills (including absence management), whilst 295 officers undertook training to improve their Welsh Language skills. New accredited management development training (funded by Welsh Government's Apprenticeship programme) was also introduced and will be further progressed and evaluated in 2017/18.

Work was undertaken during the year to develop workforce planning strategy in line with the corporate agenda. Helping managers manage sickness absence continued to be a priority. This included further developing sickness data to inform sickness across core services. Although we made some progress in reducing sickness absence, we didn't meet our challenging target of 8.5 days per full-time employee. Workshops were also held with some staff during the year on the Digital Transformation Programme which will lead to new ways of working for affected staff, as residents



access some services and report issues through this new online facility.

At a time of change, some staff can find things unsettling and need some support. Our staff therefore continued to benefit from free help and support from a confidential 24/7 service, called Care First. This service provides a range of advice to help with mental health issues that staff may be experiencing such as depression, anxiety and stress as well as personal issues and health worries.

The range of learning and development opportunities for staff, including opportunities to learn Welsh, increased in the year to meet service needs, corporate priorities and statutory requirements. The Learning and Development website which was launched last year has seen the number of staff undertaking e learning grow. The website offers a comprehensive staff training and development programme for the workforce with 59.1% of staff completing e-learning modules during the year, compared with 43.1% in 2015-16.

To make the most of our spend on goods and services

Our Performance

We restructured the Corporate Procurement Unit and implemented a new category management approach providing us with a more structured and standardised method of procuring goods and services. This has enabled us to build expertise and in depth knowledge of how money is spent within a specific area and deliver efficiency savings. We worked closely with the local market, third sector and SMEs conducting regular pre procurement provider events which proved successful in upskilling the market and ensuring that local providers are 'tender ready' and able to bid competitively against national organisations. As part of the eProcurement review, we implemented e-tendering, a paperless process allowing bidders to submit tenders electronically, reducing the cost of bidding for business.

We used the National Procurement Services to make savings on common and repetitive spend, such as stationery, postal services, hybrid mail, Occupational Health and printer consumables. Collaboration and joint regional working ensured further efficiencies were achieved by aggregating spend and working in partnership with the National Procurement Services and Western Bay. Monitoring our Corporate Contracts Register has also provided an insight into how we spend our money, which gave us the opportunity to aggregate our spend and



understand where we could make best use of our resources in the most efficient way. This monitoring will be ongoing to ensure continued compliance.

We continued to work in partnership alongside Bridgend Association of Voluntary Organisations (BAVO) and Business Wales to organise a joint bespoke tendering and procurement event for the third sector in the County Borough of Bridgend which enabled us to identify and deliver an event which was designed to meet the needs of the Sector. We achieved a 100% tender compliance in the year.

OUR OUTCOME MEASURES FOR PRIORITY THREE – SMARTER USE OF RESOURCES

Aim - To achieve the budget reductions identified in the Medium Term Financial Strategy

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Percentage of budget reductions achieved (Higher preferred)	92.5%	100%	100%	75%	n/a	n/a	n/a	n/a	Target missed due to shortfalls in savings across directorates.
The number of new income generating initiatives in place and income generated (Higher preferred)	9 new initiatives over the 3 year period, generating some £1.511m over the 3 year period.		3 new initiatives	0	n/a	n/a	n/a	n/a	To be developed under our commercialisation programme.

Aim -To improve the efficiency of and access to services by redesigning our systems and processes

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Number of services that are available to the public online (Higher preferred)	Not applicable. New indicator for 2016-17		6	0	n/a	n/a	n/a	n/a	Target not met due to delays in implementing systems.
Percentage of Council Tax customers accessing on line service through 'my account' (Higher preferred)	0%	0%	30%	0%	n/a	n/a	n/a	n/a	Target not met due to delays in implementing systems.
(Develop content to support) the number of interactions from citizens on the corporate social media accounts (Facebook and Twitter) (Higher preferred)	Data not collected		10% increase on previous year	11.3%	n/a	n/a	n/a	n/a	Target exceeded.

Aim - To make the most of our physical assets, including school buildings

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
School modernisation Programme expenditure profile met (Lower preferred)	£5.677m	£6.907m	£3.573m	£3.113m	n/a	n/a	n/a	n/a	The key aspect was to ensure that we spent all of the Welsh Government allocation for 2016-2017 (£2,700,000). The additional expenditure was funded by BCBC Capital. The unspent BCBC allocation will be rolled forward to 2017-2018.
Reduction in operational assets running costs (Higher preferred)	£89,290	£442,000	£195,000	£22,500	↓	n/a	n/a	n/a	Target based on the leasing of Ravens Court which is off target.
Ratio of staff to desk in Civic Office (Lower)	Data not available	6:5	3:2	1:1	↓	n/a	n/a	n/a	Target not met as Ravens Court has not been leased and staff relocated to Civic Offices.
Realisation of capital receipts target	£4.2m	£5.9m	£4m	£5.625m	↓	n/a	n/a	n/a	Target exceeded.

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
<i>(Higher preferred)</i>									
Percentage reduction in carbon emissions on previous year <i>(Higher preferred)</i>	6.68%	8.28%	3%*	12.79%	↑	n/a	n/a	n/a	Target exceeded.
Average Display Energy Certificate (DEC) energy performance operational rating for buildings over 1000m ² <i>(Lower preferred)</i>	94.83	90.57	96.61	86.94	↑	n/a	n/a	n/a	Target exceeded.
The number of Council owned assets transferred to the community for running <i>(Higher preferred)</i>	<i>Not applicable. New indicator for 2016-17</i>		5	0	n/a	n/a	n/a	n/a	Target not met because transfers are underway but were not completed by the end of the financial year.

* Static target set by Welsh Government.

Aim - Develop the culture and skills required to meet the needs of a changing organisation

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
The number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence <i>(Lower preferred)</i>	10.8	10.7	8.5	10.7	↔	10.3	10.6	13	Performance has remained stable for the past 2 years with a figure of 10.7 We have climbed in the rankings from 14th to 13th.
Percentage of employees completing e-learning modules <i>(Higher preferred)</i>	n/a	43.1%	40%	59.1%	↑	n/a	n/a	n/a	Target exceeded.
The number of managers receiving training to improve their people management skills (including absence management) <i>(Higher preferred)</i>	<i>Not applicable. New indicator for 2016-17</i>		200	231	n/a	n/a	n/a	n/a	Target exceeded.
The number of employees receiving training to improve Welsh language skills <i>(Higher preferred)</i>	<i>Not applicable. New indicator for 2016-17</i>		150	295	n/a	n/a	n/a	n/a	Target exceeded.

Aim - To make the most of our spend on goods and services

Measure and preferred	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Percentage of tenders above EU threshold compliant with the Public Contract Regulations 2015 that are compliant <i>(Higher preferred)</i>	<i>Not applicable. New indicator for 2016-17</i>		100%	100%	n/a	n/a	n/a	n/a	Target met.

National Indicators (Public Accountability Measures)

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Percentage of: i) All pupils (including those in local authority care) in any local authority maintained school, aged 15 as at the preceding 31 August that leave compulsory education, training or work based learning without an approved external qualification (<i>Lower preferred</i>)	0.1	0.1	0.1	0.1	↔	0.2	0.4	9	Performance maintained and above Wales average.
Percentage of: ii) pupils in local authority care in any local authority maintained school, aged 15 as at the preceding 31 August that leave compulsory education, training or work based learning without an approved external qualification (<i>Lower preferred</i>)	0	0	0	0	↔	1.1	2.1	1	Performance maintained for the 4th consecutive year and in ranking.
Number of visits to local authority sport and leisure facilities during the year per 1,000 population where the visitor will be participating in physical activity (<i>Higher preferred</i>)	9528	9634	9450	9600	↓	8,387	7,829	5	Performance slightly below last year but significantly above the Wales average.
Rate of delayed transfers of care for social care reasons per 1,000 population aged 75 and over (<i>Lower preferred</i>)	n/a	n/a	2.25	0.66	n/a	n/a	n/a	n/a	New definition so no comparable data.
Percentage of children looked after at 31 March who have experienced one or more changes of school, during a period or periods of being looked after, which were not due to transitional arrangements, in the 12 months to 31 March (<i>Lower preferred</i>)	n/a	14.8	14	15.74	↓	n/a	n/a	n/a	37 children experienced one or more changes of school including moving to/from out of county provision, and moves within the local authority for reasons of, for example, parental choice, and behaviour.
Percentage of pupils assessed at the end of Key Stage 2, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment (<i>Higher preferred</i>)	86.2	87.6	88.4	87.9	↑	89.0	89.6	17	Over 3 years, the trend is one of improvement in all subjects but Bridgend's rate of improvement is lower than All-Wales. The schools that improved at the slowest rate (or did not improve) for this indicator year have been identified and are receiving additional support and monitoring.
Percentage of pupils assessed at the end of Key Stage 3, in schools maintained by the local authority, achieving the Core Subject Indicator as determined by Teacher Assessment (<i>Higher preferred</i>)	79.3	84.3	87.2	87.4	↑	86.1	85.6	8	Above target and ranking improved from 11th to 8th.
Percentage of pupils assessed, in schools maintained by the local authority, receiving a Teacher Assessment in Welsh (first language) at the end of Key Stage 3 (<i>Higher preferred</i>)	6.6	6.7	5.3	5.2	↓	18.0	9.6	17	Marginally below target due to there being fewer pupils in the year group.
The average wider point score for age 15 at the preceding 31 st August, in schools maintained by the Local Authority (<i>Higher preferred</i>)	486	527.6	550	564.1	↑	531.0	512.4	5	Target exceeded. We have climbed from 13th (Quarter 3) to 5th (Quarter 1) position in Wales.
Percentage of final statements of special education need issued within 26 weeks: (a) Including exceptions; (<i>Higher preferred</i>)	50	81.7	90	62.7	↓	77.4	79.6	18	The target of 90% was not achieved due to the fact that as many as 75% of new cases had a complexity attracting an exception.

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
Percentage of final statements of special education need issued within 26 weeks: (b) Excluding exceptions (<i>Higher preferred</i>)	100	100	100	100	↑	95.4	94.8	1	Performance maintained at maximum for third year.
Percentage of pupil attendance in primary schools (<i>Higher preferred</i>)	94.8	95.1	95.7	95.3	↑	94.9	94.9	6	Target marginally missed but performance improved .
Percentage of pupil attendance in secondary schools (<i>Higher preferred</i>)	93.9	94.3	95.1	94.5	↑	94.2	94.1	6	Target marginally missed but performance improved
Number of visits to public libraries during the year, per 1,000 population (<i>Higher preferred</i>)	4460	4351	4400	4275	↓	5,480	5,812	17	Target missed. Figure has declined for 3 consecutive years in line with rest of Wales.
Number of additional affordable housing units provided throughout the year as a percentage of all additional housing units provided during the year (<i>Higher preferred</i>)	26.54	29.4	10	26.36	↓	36	35	19	Performance is lower than last year, as there was an increase of cases where developers were finding viability issues for taking developments forward over 16-17
Percentage of food establishments which are broadly compliant with food hygiene standards (<i>Higher preferred</i>)	93.16	95.11	94	94.69	↓	95.16	93.21	14	Marginally above target but lower than the Wales average.
Average number of calendar days taken to deliver a Disabled Facilities Grant (<i>Lower preferred</i>)	182	321.51	231	242.41	↑	224	220	13	A lower number of fast track DFGs were completed than anticipated which has resulted in the slightly higher than target figure raising our ranking from 21st (Quarter 4) to 13th (Quarter 3) and above the Wales average but narrowly missing our target.
Percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority (<i>Higher preferred</i>)	6.48	4.02	7.86	2.2	↓	8.79	5.44	18	1485 owners of empty residential dwellings were contacted in the year by the Authority but engagement by owners was relatively low and the powers of the Authority to act in this area are limited.
Percentage of highways and relevant land inspected of a high or acceptable standards of cleanliness (<i>Higher preferred</i>)	93.45	89.43	97	92.1	↑	96.6	95.9	19	The standard of cleanliness has been affected by the reduction in staffing levels under proposals brought forward under the MTFs.
Percentage of reported fly tipping incidents cleared within 5 working days (<i>Higher preferred</i>)	95.6	97.55	98	96.85	↓	95.37	97.91	11	The service has been affected by the reduction in staffing levels under proposals brought forward under the MTFs. Target narrowly missed but above the Wales average.
Percentage of adults aged 60 or over who hold a concessionary bus pass (<i>Higher preferred</i>)	90.65	91.32	89	87.49	↓	87	91.2	10	Figures are less than last year's, due to the NFI database (National Fraud Initiative) and the inclusion of having access to the 'Tell Us Once' system improving accuracy of numbers.
Percentage of: Principal (A) roads, non-principal (B) roads, and non principal (C) roads in overall poor condition (<i>Lower preferred</i>)	7.77	7.06	8.7	6.59	↑	10.7	6.5	11	Improved performance and above both target and the Wales average.
The percentage of municipal waste collected by local authorities sent to landfill (<i>Lower preferred</i>)	13.05	13.8	30	11.6	↑	9.5	3.6	16	Improved performance but strong performance from other authorities saw the council's overall position slip back to 16 th . A new recycling

Measure and preferred outcome	Actual 2014-15	Actual 2015-16	Target 2016-17	Actual 2016-17	Trend	Wales Average 2016-17	SE Wales Average 2016-17	National Ranking	Comment
									scheme in place from 5th June 2017 throughout BCBC will improve recycling indicator returns.
Percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated bio-wastes that are composted or treated biologically in another way (<i>Higher preferred</i>)	57.06	59.04	58	57.9	↓	63.81	62.22	21	Our performance has remained consistent whereas other authorities have significantly improved their performance. A new recycling scheme in place from 5th June 2017 throughout BCBC will improve recycling indicator returns.
The percentage change in the average Display Energy Certificate (DEC) score within local authority public buildings over 1,000 square metres (<i>Higher preferred</i>)	n/a	4.5	3.0	4.1	↓	1.9	1.6	6	Target exceeded. Despite a marginal drop in performance from the previous year, our ranking improved from 9th to 6th, due to worsening performance by other authorities.

Financial Performance (subject to validation)

Our financial environment is becoming increasingly challenging. We need to make unprecedented savings in the future that can only be achieved by changing the way we work and changing the way services are delivered. Last year, the gross amount we spent on delivering services to our citizens and investing in our landscape and infrastructure totalled around £440 million. The total amount that we have available to spend is made up from three main sources listed below.

Revenue Expenditure

Our revenue expenditure represents day to day costs such as salaries, equipment, supplies and services. Our **net** revenue expenditure in 2016-17 after allowing for appropriation to earmarked reserve, additional income from council tax and an underspend on general contingencies (as reported to Cabinet in June 2017) was **£254.535 million**, which resulted in an underspend of £356,000 which was transferred to the Council Fund. The table below shows the expenditure and proportion of spend per Improvement Priority in 2016-17:

Improvement Priority for 2016-17	Revised Budget	Actual Outturn	Actual Over/(Under) Spend
	2016-17 (£'Million)	2016-17 (£'Million)	2016-17 (£'Million)
1. Supporting a successful economy	46.8	45.5	-1.3
2. Helping people to be more self-reliant	48.6	48.7	0.1
3. Smarter use of resources	1.01	0.8	-0.2
4. Core services and statutory functions	158.4	159.5	1.1
TOTAL	254.9	254.5	-0.3

Capital Expenditure

This represents our spending on schools and infrastructure such as roads, bridges and buildings. These assets will benefit the community over long periods of time and the expenditure is largely financed by borrowing and capital grants.

Our capital expenditure in 2016-17 was **£18.27 million**, where the main projects carried out during the year included:

- £1,288,000 Brynmenyn Primary School;
- £ 2,449,000 Disabled Facility grants & Private Sector Housing;
- £ 907,000 Garw Valley South Primary Provision;
- £ 863,000 Pencoed Primary School;
- £1,533,000 Civic Offices External Envelope Scheme
- £ 3,316,000 Vibrant and Viable Places; and
- £ 1,391,000 Transport Schemes.

Grants

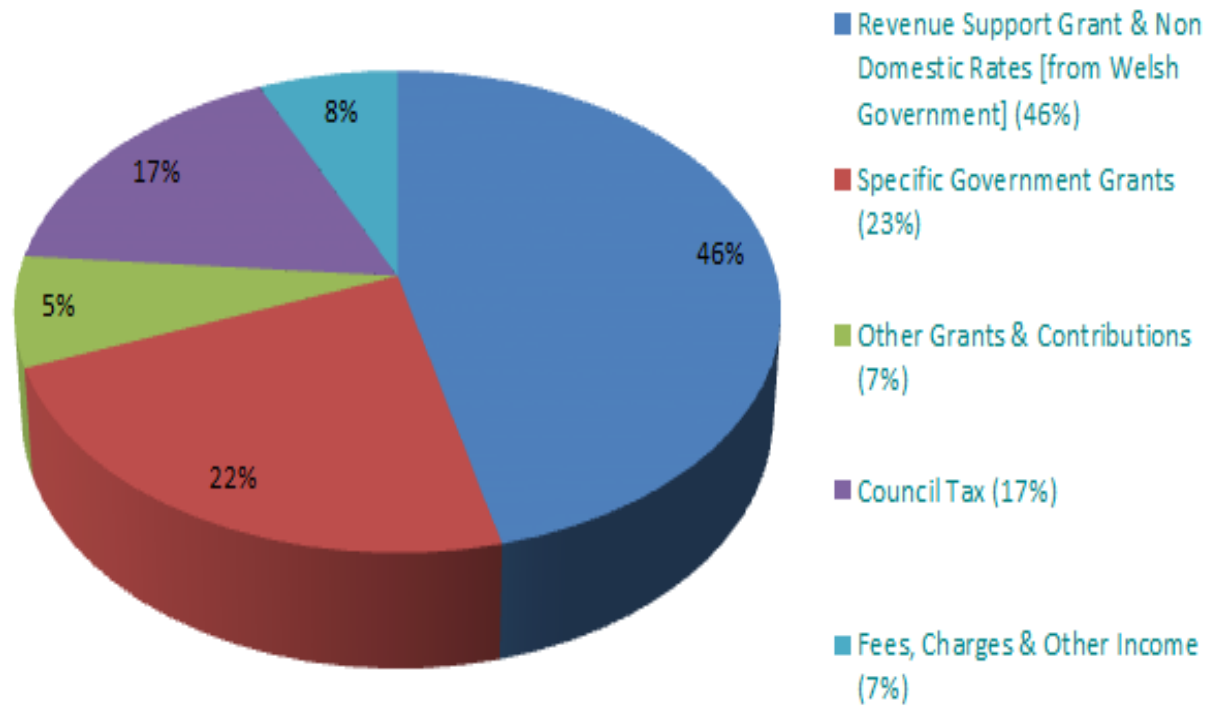
We also received specific government grants, in addition to the core Revenue Support Grant and Non-domestic Rate (NDR) allocations, totalling **£91.7 million** during 2016-17, which we are able to use in addition to our own Revenue and Capital expenditure. The main grants received during 2016-17 included:

- £6,465,000 Post-16 Grant;
- £5,816,000 Supporting People grant;
- £2,777,000 Sustainable Waste grant;

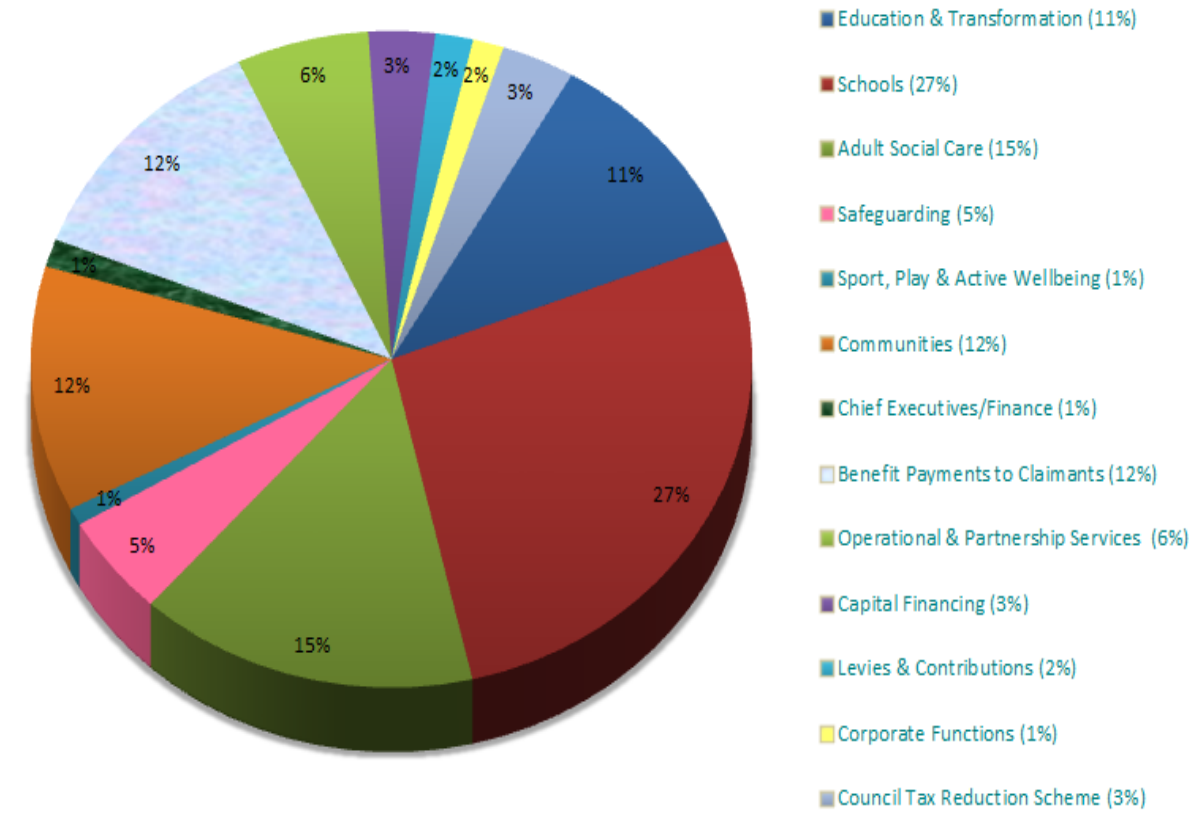
- £3,245,000 Flying Start grant; and
- £1,730,000 Families First grant.

The following charts summarise where the money came from and where the money is spent

2016-17 Where The Money Comes From



2016-17 Where the Money Is Spent



What Did Our Regulators Say about Us?

The Auditor General for Wales (the Auditor General) audited the Council's Improvement Plan for 2016-17, and also one for 2017-18, and for each year certified that the Council had discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

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In 2016-17, the Auditor General undertook improvement assessment work under three themes: governance, use of resources, and Corporate Assessment Follow up.

Based on the work carried out by the Wales Audit Office and relevant regulators, the Auditor General has concluded that the Council is meeting its statutory requirements in relation to continuous improvement.

Key Positive Findings

The Council

- has three clear priorities that shape its decisions on significant service change and it seeks to learn and improve its arrangements
- has clear governance and accountability arrangements and positive working relationships between officers and members
- typically considers a range of options for significant service changes that are supported by clear information,
- has generally effective consultation arrangements when considering significant service changes
- complied with its responsibilities relating to financial reporting and use of resources
- has appropriate arrangements in place to secure best use of its resources
- has a sound financial planning framework and achieved of 83% of its planned 2015-16 savings in year and can demonstrate that individual savings have been delivered
- has an effective corporate framework for financial planning
- has responded effectively to the issues WAO raised in the Corporate Assessment and has either fully implemented WAO proposals for improvement or has made progress against them.

Proposed areas for improvement

Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if the Auditor General did not find things that can be improved. Four proposals for improvement were identified under the following two themes:

Governance

The Council should:

- improve the availability and accessibility of information relating to decision-making on significant service change, including, for example, publishing Forward Work Programme(s) that cover Cabinet and Council business.
- resolve how it will embed the sustainable development principle into decision-making.
- set out clearly how the impact of service change will be monitored at the point of decision.

Use of resources

- Strengthen financial planning arrangements by ensuring that savings proposals are:
 - fully developed
 - clearly identified over the period of the MTFP and
 - include realistic delivery timescales prior to inclusion in the annual budget.

Care and Social Services Inspectorate Wales (CSSIW) undertook an inspection of children's services in January/ February 2017. The report showed that Bridgend had worked hard to implement the Social Services and Well-Being (Wales) Act 2014 and had achieved a lot during a time of significant change. The inspectors reported that some of the practice they had seen varied and that more needs to be done in the areas of decision making, risk assessment, quality assurance and multi-agency engagement.

Proposed Areas for improvement

The authority was required to produce an improvement plan in response to the report focusing on the recommendations below:

- Develop a range of user-friendly information signposting to preventative services
- Continuously monitor caseloads and quality assurance reports
- Improve the quality and consistency of assessments and plans
- Increase the voices of children and families in shaping service planning
- Continue to focus on staff retention and promoting the timely recruitment of experienced staff.

An improvement plan is now in place.

Our Improvement and Wellbeing Objectives for 2017 - 18

In April 2016, the Well-being of Future Generations (Wales) Act 2015 came into effect. The Act is about improving the economic, social, environmental and cultural well-being of Wales. It places a duty upon all public bodies to apply the principles of sustainable development to ensure that present needs are met without compromising the ability of future generations to meet their own needs. The Act sets out seven long-term national goals:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales.

As a public body, the Council has a duty to work towards achieving these seven goals. The Act requires that we set our well-being objectives and take steps to realise them.

In our Corporate Plan 2016-20, we set out our improvement objectives, having taken into account long-term needs, shrinking resources, and increasing demand on services, whilst still delivering the things that citizens told us are most important.

These are:

- Supporting a successful economy
- Helping people to be self-reliant
- Smarter use of resources

The three improvement priorities were reviewed against the requirements of the Well-being of Future Generations (Wales) Act 2015 and the Council decided that these three priorities are our wellbeing objectives. We also embedded the Council's wellbeing state, required by the Act, into the corporate plan, and it sets out how our priorities link to the seven national wellbeing goals.

For full details on the actions we have in place to deliver each Improvement and Wellbeing Priority, please visit the Corporate Improvement page on our website and view our Corporate Plan:

<http://www1.bridgend.gov.uk/media/341723/corporate-plan-2016-2020.pdf>.

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE HEAD OF FINANCE

CAPITAL PROGRAMME 2017-18 TO 2026-27

1. Purpose of Report

- 1.1 The purpose of this report is to obtain approval from Council for a revised capital programme for 2017-18 to 2026-27.

2. Connection to Corporate Plan / Other Corporate Priorities

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

3. Background

- 3.1 On 31st May 2017 Council approved a revised capital programme covering the period 2016-17 to 2026-27. This included slippage into 2017-18, new externally funded schemes and additional council funded schemes relating to the 21st Century Schools Programme. Since then, on 28th June 2017, Council approved that the Capital Programme be further amended to include funding for to the purchase of a Civil Parking mobile enforcement vehicle, at an estimated cost of circa £68,000. This brought the total value of the programme to £191.562 million (£191.494 million approved in May 2017 plus £68,000 in June 2017), of which £125.404 million was met from BCBC resources, including General Capital Funding from Welsh Government, and £66.158 million met from external resources.

4. Current situation / proposal.

- 4.1 Since the programme was last approved, a number of new schemes have been progressed which require that Council approve changes to the capital programme. These are outlined below.

4.2 Multi Agency Safeguarding Hub (MASH)

- 4.2.1 The establishment of a Bridgend Multi-Agency Safeguarding Hub (MASH) is a key part of corporate priority 2 – helping people to remain independent. This project is fundamental to driving the transformation of children's social care and the whole system approach by creating a single point of contact for frontline staff who receive thousands of referrals from professionals with safeguarding concerns. Our main partner will be South Wales Police (SWP) with Abertawe Bro Morgannwg University Health Board (ABMU), the National Probation Service (NPS), Wales Community Rehabilitation Company and the Police and Crime Commissioner for South Wales also being key partners in the MASH arrangements.

4.2.2 The reasons for undertaking this project are to improve outcomes for children, young people and their families, by making sure that our systems and processes enable needs to be identified as early as possible and responded to proportionately and by the right person/service. Phase 1 will be the establishment of MASH arrangements for Children's Social Care. Phase 2 of the project will then see Adult Social Care joining the MASH arrangements, prioritising the safeguarding and welfare of all our vulnerable groups and demonstrating our corporate commitment to the Well-being of Future Generations Act (Wales) 2015.

4.2.3 In order to establish the MASH the following capital investment will be required in the preferred premises:

- £155,000 for the procurement of furniture.
- £50,000 to install the required ICT infrastructure to support collaborative working whilst ensuring data security. It is anticipated that this figure will be a "worst case scenario" position and the actual cost could be considerably less, but further work is required to firm up these figures.

4.2.4 BCBC will be liable for 40% of the total cost but as lead organisation will undertake the procurement exercise and recharge MASH partners accordingly for the remaining 60%. Therefore the total capital investment required will be £205,000 of which BCBC will be liable for £82,000. BCBC's share will be met from a contribution from the Change Fund.

4.3 Storage for the Data Centre

4.3.1 In 2011 BCBC ICT Service Unit purchased a central Storage Area Network (SAN). A SAN is the key component in the Datacentre, alongside the Servers and networking equipment. The SAN protects and stores Council Data. The current SAN provides 140 Terabytes of usable storage and is at the end of its usable life. It is not possible to extend the warranty any further.

4.3.2 All BCBC data is replicated to Rhondda Cynon Taff (RCT) Council, and vice versa, to provide a Disaster Recovery solution.

4.3.3 The new SAN will be located in BCBC core offices, but would also include locating equipment at RCT to enable the replication of data to continue as usual. Indicative pricing for the new SAN equipment, including seven years warranty and support, is approximately £400,000. The investment profile for the new SAN would again be seven years. The costs will be met through a revenue contribution to capital from the directorate's revenue budget.

4.4 Desktop Computer/Monitor Replacement Programme

4.4.1 BCBC ICT Service Unit purchased 200 desktop computers in each of the years 2012, 2013, and 2014 to replace old computers that had become end of life. The desktop computers were purchased with a five year extended warranty. The first batch of 200 computers are now coming to the end of their warranty. The second batch approach their end of warranty in March 2018.

4.4.2 Market testing has shown indicative pricing to be approximately £600 per unit to replace the computer and monitor. This would again include a five year extended

warranty to safeguard the investment, particularly in respect of replacement of certain parts which aren't included in the standard warranty. Purchase of replacement desktop computers would be £120,000 for each batch, a total of £240,000. Funding will be met through a revenue contribution to capital from the directorate's revenue budget.

4.5 Additional PC's for Civic Offices

4.5.1 The bench desk facilities currently in Civic Offices have no consistent approach to ICT delivery. A desk position could have a standard desktop PC, various laptop docking stations, or just a monitor with loose cables. This approach has evolved alongside the Rationalisation of the Estate programme. The recommendation is to install a desktop PC at every desk position. This provides an environment that is safe for officers to work, from a Health and Safety (H&S) perspective, specifically with regards to the display screen equipment (DSE) environment. It will allow laptop users to only have to use their laptops when away from a desk position. ICT have invested in software that allows a person's files and personalisation settings to follow them across any BCBC ICT desktop or laptop. This would also support the new Agile Working protocol. The cost will be £120,000 and will be met from an established earmarked reserve.

4.6 Digital Meeting Spaces

4.6.1 BCBC currently have very limited Collaborative Video Conferencing facilities to enable staff and Councillors to attend virtual meetings and collaborate more efficiently. Virtual attendance at meetings is becoming a pre-requisite and can enable significant time and cost savings.

4.6.2 A number of suppliers have presented their solutions to ICT officers and discussions have taken place with peers from other unitary authorities and Welsh Government.

4.6.3 Digitisation of meeting spaces will be focused around Civic Offices Committee Rooms and key conference room facilities. The cost will be £150,000 and will be met from a revenue contribution to the capital budget from the directorate revenue budget.

4.7 Brynmenyn Homelessness Unit

4.7.1 Brynmenyn Homelessness Unit provides 16 units of temporary accommodation on a fixed site, which is staffed for 24 hours a day and is located in Tondu. The primary use of the accommodation is for families who present as homeless.

4.7.2 The building is owned by BCBC. There is a structural issue that need to be rectified. Surveys have been carried out by officers to develop a schedule of works. As part of the remedial works the kitchen facility will be upgraded as that area will be significantly impacted during the remedial works. In July 2017, Cabinet received a report on the Budget Monitoring position as at quarter 1 which identified that a review of revenue budgets for the Operational and Partnership Services Directorate was underway and that an element of the under spend would be used to update facilities for the homeless. The estimated cost of the work is £120,000 and this will be met from these revenue budgets.

4.8 Mayoral Vehicle

- 4.8.1 The previous mayoral vehicle was 7 years old with a mileage in excess of 90,000 miles. An opportunity arose to replace the vehicle during the summer period using revenue under spends from within the Operational and Partnership Services Directorate and a decision was made to take advantage of that opportunity due to budget availability and lead in time for purchase. Consequently a decision was taken under delegated powers (Scheme B1, paragraph 2.2) to authorise an increase in the Council's capital budget for the purchase of the vehicle by £23,000, with the cost met from the directorate revenue budget. This revised budget is included within the current capital programme.
- 4.9 There are also a number of other adjustments required to the capital programme to reflect new external funding approvals and changes to expenditure profiles across financial years.
- 4.10 A revised capital programme is attached as Appendix 1 to this report. This shows a total revised programme of £175.031 million, of which £117.536 million is met from BCBC resources, including General Capital Funding from Welsh Government, and £57.495 million met from external resources.

5. Effect upon Policy Framework and Procedure Rules

- 5.1 There is no effect upon the policy framework or procedure rules.

6. Equality Impact Assessment

- 6.1 Projects within the capital programme will be subject to the preparation of Equality Impact Assessments before proceeding.

7 Financial Implications

- 7.1 The financial implications are outlined in the body of the report.

8. Recommendations

- 8.1 Council is recommended to approve the revised Capital Programme as set out in Appendix 1 of this report.

Randal Hemingway
Head of Finance & Section 151 Officer
4 October 2017

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Background documents

Council Report – 31 May 2017: Capital Programme 2016-17 to 2026-27

Council Report - 28 June 2017: Civil Parking Enforcement Vehicle

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	Corporate Priority	Total Costs to 31-3-17 £'000	June 2017 £'000	2017-2018				FUTURE YEARS									CUMULATIVE Total 2017-2027 £'000		
				New Approvals £'000	Vire £'000	Slippage £'000	Revised 2017-18 £'000	2018-2019 £'000	2019-2020 £'000	2020-2021 £'000	2021-2022 £'000	2022-2023 £'000	2023-2024 £'000	2024-2025 £'000	2025-2026 £'000	2026-2027 £'000			
Commercial Improvement Areas	Supporting a Successful Economy	22	67	-	67	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maesteg Town Hall Cultural Hub	Supporting a Successful Economy	-	1,084	-	-	-	1,084	2,416	345	-	-	-	-	-	-	-	-	-	-
Smart System and Heat Programme	Supporting a Successful Economy	-	100	-	-	100	-	200	50	-	-	-	-	-	-	-	-	-	-
Nantymoel Community Facilities (former Berwyn Centre)	Core Services & Statutory Functions	-	200	-	-	-	200	-	-	-	-	-	-	-	-	-	-	-	-
Property																			
Drainage, Science Park	Smarter Use of Resources	-	200	-	-	-	200	-	-	-	-	-	-	-	-	-	-	-	-
Minor Works	Smarter Use of Resources	77	1,328	-	146	-	1,182	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Upgrading Industrial Estates	Core Services & Statutory Functions	23	17	-	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-
DDA Works at Civic Offices	Smarter Use of Resources	-	120	-	-	-	120	-	-	-	-	-	-	-	-	-	-	-	-
Civic Offices External Envelope	Smarter Use of Resources	1,538	1,012	-	-	-	1,012	-	-	-	-	-	-	-	-	-	-	-	-
Agile Working (Rationalisation of Admin. Estate)	Smarter Use of Resources	16	621	-	-	-	621	-	-	-	-	580	-	-	-	-	-	-	-
Relocation of Depot Facilities	Smarter Use of Resources	60	4,316	-	-	-	4,316	-	-	-	-	-	-	-	-	-	-	-	-
Bridgend Market	Core Services & Statutory Functions	1	19	-	-	-	19	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operational Assets	Smarter Use of Resources	520	480	-	-	-	480	-	-	-	-	-	-	-	-	-	-	-	-
Community Projects	Smarter Use of Resources	444	214	-	-	-	214	100	50	50	50	50	50	50	50	50	50	50	50
Total Communities		11,256	30,610	559	-	10,640	20,529	18,271	7,767	5,372	6,248	6,828	9,079	9,079	9,079	9,079	9,079	9,079	101,331
Operational & Partnership Services																			
ICT																			
Investment in ICT	Smarter Use of Resources	-	300	-	-	-	300	300	-	-	-	-	-	-	-	-	-	-	-
Digital Transformation	Smarter Use of Resources	410	590	-	-	-	590	590	-	-	-	-	-	-	-	-	-	-	-
ICT Laptop Replacement (Life Expired)	Smarter Use of Resources	-	550	-	-	-	300	300	-	-	-	-	-	-	-	-	-	-	-
ICT Infrastructure - Data Storage	Smarter Use of Resources	-	-	400	-	-	400	-	-	-	-	-	-	-	-	-	-	-	-
Civic Desktop PC's	Smarter Use of Resources	-	-	120	-	-	120	-	-	-	-	-	-	-	-	-	-	-	-
Digital Meeting Spaces	Smarter Use of Resources	-	-	150	-	-	150	-	-	-	-	-	-	-	-	-	-	-	-
Desktop Computer / Monitor Replacement	Smarter Use of Resources	-	-	240	-	-	240	-	-	-	-	-	-	-	-	-	-	-	-
Housing / Homelessness																			
Housing Renewal Schemes	Supporting a Successful Economy	377	100	-	-	-	100	100	100	100	100	100	100	100	100	100	100	100	100
Housing Renewal/Disabled Facilities Grants	Helping People to be more Self Reliant	4,677	3,272	-	-	-	3,272	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350
Brynmenyn Homelessness Unit	Helping People to be more Self Reliant	-	-	120	-	-	120	-	-	-	-	-	-	-	-	-	-	-	-
Legal & Democratic Services																			
Mayor's Car	Core Services & Statutory Functions	-	-	23	-	-	23	-	-	-	-	-	-	-	-	-	-	-	-
Total Operational & Partnership Services		5,464	4,812	1,053	-	1,190	4,675	3,640	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	27,915
Unallocated		-	-	-	-	-	-	-	-	1,276	1,816	1,236	1,816	1,816	1,816	1,816	1,816	1,816	11,592
Total Expenditure		81,331	67,579	1,825	-	11,830	57,574	23,434	10,307	9,128	10,544	10,544	13,375	13,375	13,375	13,375	13,375	13,375	175,031
Expected Capital Resources																			
General Capital Funding																			
General Capital Funding - General Capital Grant			2,379	-	-	-	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379
General Capital Funding - Supported Borrowing			3,909	-	-	-	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909	3,909
Capital Receipts - Schools			10,516	-	-	-	10,516	-	-	-	-	-	-	-	-	-	-	-	-
Capital Receipts - General			9,944	-	-	1,020	8,924	745	766	8	8	8	8	8	8	8	8	8	8
Earmarked Reserves			9,960	482	-	1,015	9,427	1,347	110	-	-	-	-	-	-	-	-	-	-
Revenue Contribution			1,407	933	-	458	1,882	1,030	686	686	1,030	1,030	1,716	1,716	1,716	1,716	1,716	1,716	13,208
Prudential Borrowing (unsupported)			1,500	-	-	-	1,500	-	-	-	-	-	-	-	-	-	-	-	-
Local Govt Borrowing Initiative (21st Century Schools)			5,657	-	-	-	5,657	-	-	-	-	-	-	-	-	-	-	-	-
Loan - WG			2,400	-	-	2,400	-	2,400	-	-	-	-	-	-	-	-	-	-	-
Sub-Total General Capital Funding			47,672	1,415	-	4,893	44,194	11,810	7,850	6,982	7,326	7,326	8,012	8,012	8,012	8,012	8,012	8,012	117,536
External Funding Approvals																			
WG - Other			-	-	-	-	-	60	-	-	-	-	-	-	-	-	-	-	-
WG - 21st Century Schools			7,425	-	-	-	7,425	623	-	-	-	-	-	-	-	-	-	-	-
WG - Safe Routes in Communities			711	-	-	-	711	-	-	-	-	-	-	-	-	-	-	-	-
WG - Porthcawl Revetment			2,345	-	-	-	2,345	-	-	-	-	-	-	-	-	-	-	-	-
Westminster			1,430	-	-	1,430	-	3,218	2,146	2,146	3,218	3,218	5,363	5,363	5,363	5,363	5,363	5,363	35,398
S106			842	-	-	-	842	-	-	-	-	-	-	-	-	-	-	-	-
Transport Grant			421	-	-	-	421	-	-	-	-	-	-	-	-	-	-	-	-
Heritage Lottery Fund (HLF)			734	279	-	-	1,013	1,119	311	-	-	-	-	-	-	-	-	-	-
EU			492	-	-	-	492	1,097	-	-	-	-	-	-	-	-	-	-	-
Other			5,507	131	-	5,507	131	5,507	-	-	-	-	-	-	-	-	-	-	-
Sub-Total External Funding Approvals			19,907	410	-	6,937	13,380	11,624	2,457	2,146	3,218	3,218	5,363	5,363	5,363	5,363	5,363	5,363	57,495
Total Funding Available			67,579	1,825	-	11,830	57,574	23,434	10,307	9,128	10,544	10,544	13,375	13,375	13,375	13,375	13,375	13,375	175,031
Funding Shortfall/Surplus			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Glossary of terms
 WG - Welsh Government
 EU - European Union
 S106 - Section 106 of the Town and Country Planning Act 1990

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE MONITORING OFFICER

AMENDMENT TO THE SCHEME OF DELEGATIONS

1. Purpose of Report

- 1.1 The purpose of the report is to seek approval for a series of amendments which have been made to the Scheme of Delegation of Functions.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities

- 2.1 The amendment of the Scheme of Delegations will support effective decision making and the achievement of all the Corporate Priorities.

3. Background

- 3.1 A number of administrative amendments have been made and this report consolidates those updates and advises of the outcomes of the subsequent review of the Scheme of Delegations which was undertaken.

4. Current situation / proposal

4.1 Changes to the titles and responsibilities of Cabinet Members Portfolios.

- 4.1.1 The titles and portfolios of the Cabinet Members have been revised. The functions allocated to each Cabinet Member required some amendments to be made in particular Scheme A to reflect the changes to their responsibilities accordingly.

4.2 Review

- 4.2.1 A desktop review was undertaken to ensure that the Scheme was up-to-date and fit for purpose. Some revisions were required and are identified at **Appendix 1** using tracked changes.

- 4.3 Council is requested to note that a similar report was presented to Cabinet on 3rd October 2017 requesting approval of the amendments to the Scheme in relation to its functions. Once the approval process and call-in is completed, the Scheme will be updated, published and Corporate Directors will be requested to update their Register of Delegations to reflect these changes.

5. Effect upon Policy Framework & Procedure Rules

- 5.1 The Scheme of Delegations will be updated accordingly.

6. Equality Impact Assessment

6.1 There are no equality implications arising from this report.

7. Financial Implications.

7.1 None.

8. Recommendation.

8.1 Council is recommended to approve the Scheme of Delegations in relation to its functions as attached at Appendix 1.

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Background documents:

None

BRIDGEND COUNTY BOROUGH COUNCIL **SCHEME OF DELEGATION OF FUNCTIONS**

Introduction

Section 13 of the Local Government Act 2000 provides for the determination of which functions of a local authority are the responsibility of the Executive under Executive arrangements. All functions of a local authority must be the responsibility of the Executive unless specified otherwise in Regulations or there are express provisions to the contrary in other legislation.

Part 2 of the Constitution sets out the remit of Council, Council Committees and Cabinet, briefly, Council is responsible for:

- Determination of the policy framework and budget and other constitutional and quasi legislative functions.
- Functions which involve determining an application from a person for a licence approval consent permission or registration (including particular planning permissions and consents) or direct regulation of a person (except in cases where there is only limited discretion in the discharge of the function) together with any related enforcement actions (including prosecutions).
- All other functions not being overview and scrutiny functions are to be the responsibility of the Executive.

Within this framework the role of Members is to concentrate upon broad strategy and policy decisions. Managers are to have clear managerial control and authority to implement those decisions.

It is part of the role of Members to raise concerns, particularly those of constituents, and bring to the attention of Chief Officers matters of concern on any element of a service. Chief Officers will consider the concerns and comments of Members whilst recognising their responsibility to manage service delivery in accordance with the Council's policy framework.

Procedure

1. The Chief Officers referred to in this section are those set out in the Constitution:

- Chief Executive Officer (Head of Paid Service)
- Corporate Director – Education and Family Support
- Corporate Director – Communities
- Corporate Director – Social Services and Wellbeing
- Corporate Director - Operational and Partnership Services

The Chief Executive, ~~Mr Darren Mepham~~ shall undertake his functions but if absent or otherwise unable to act the Corporate Director identified by the Chief Executive from time to time [is empowered to do so](#).

2. Chief Officers and / or Members making decisions in connection with the discharge of the functions allocated to them in this scheme of delegation:

- (a) ~~shall~~ **must** do so on the basis of the merits of the circumstances involved and the public interest;
- (b) ~~shall~~ **must** have regard to any relevant advice provided by other Council Officers, in particular by:

- (i) the Council's Chief Finance Officer acting in pursuance of that Officer's duties under Section 114 of the Local Government Finance Act 1988;
 - (ii) the Council's Monitoring Officer acting in pursuance of that Officer's duties under Section 5 of the Local Government and Housing Act 1989, who should be consulted when there is any doubt as to the Council's power to act, or as to whether the action proposed lies within the policy framework agreed by the Council; where the legal consequences of action or failure to act by the Council might have important repercussions;
- (c) must comply with any conditions or restrictions on the exercise of their discretion which have been laid down either by the Council or the Cabinet; and
- (d) must take account of any previous decision by the Council or the Cabinet relating to any relevant policies or procedures.
3. In discharging the functions allocated to them Chief Officers and / or Members shall comply with the Council's Contracts Procedure Rules and Financial Procedure Rules in Part 4 of the Council's Constitution, and shall not discharge any function if to do so would have the effect of:
- (a) causing revenue expenditure to be incurred, unless it is incurred in accordance with the Council's approved revenue estimates or the provisions relating to virement contained in the Financial Procedure Rules in Part 4 of the Council's Constitution; or
 - (b) causing capital expenditure to be incurred, other than capital expenditure on the acquisition of land or on preliminary or design work or in connection with a scheme which appears in the Council's approved capital estimates.
4. The allocation of a function on the Authority's behalf to a Chief Officer and / or Member shall in each case include the power to utilise on the Council and/or Cabinet's behalf any statutory power available to the Council as a local authority that will facilitate the discharge of the allocated function.
5. Any Chief Officer or Member to whom a function is allocated may decline to make a decision in connection with the discharge of that function in relation to any particular matter and may instead refer the matter to the relevant decision making body. An example of such a situation would be where the matter is considered to be particularly politically contentious or where the result of the decision being taken is likely to have a greater impact.
6. The Council's Chief Finance Officer and/or the Council's Monitoring Officer may require any Chief Officer or Member to cease to discharge all or any of the functions allocated to that Officer pending the submission of a report to the next meeting of the Council and/or Cabinet.
7. Before making a decision in accordance with Scheme A and/or Scheme B1 of the Schemes of Delegation the Chief Officer and/or the Cabinet Member proposing to make the decision shall:
- (a) complete the prescribed form and send a copy to the Council's Proper Officer for Committees to enable him to make the information available for inspection by Council Members generally;

- (b) not make a final decision in connection with the discharge of the allocated Council and/or Cabinet function until a period of three working days, excluding the day on which it was sent, shall have elapsed from the date on which the prescribed form was sent to the Proper Officer for Committees;
- (c) take into consideration, in addition to the views expressed by the Council Member(s) and/or Council Officer(s) where specified as consultee(s), any views expressed by any Council Member in relation to the proposed decision.
8. Paragraph 7 above shall not apply in respect of a decision made by:
- (a) the Chief Executive or Corporate Director – Communities upon any matter relating to the Council’s emergency planning functions which, for reasons of urgency, cannot await the next meeting of the Cabinet; or
- (b) an officer in exercise of a function allocated to that officer under this Scheme to authorise the settlement of civil and / or criminal proceedings whether commenced or in anticipation or to withdraw or discontinue civil or criminal proceedings; or
- (c) a Cabinet Member in exercise of a function falling within the Cabinet Member’s portfolio (other than decisions which are contrary to the Policy Framework or contrary to or not wholly in accordance with the approved Budget) which, if delayed, would seriously prejudice the Council’s or the public’s interests, subject to the requirements of paragraph 17 of the Overview and Scrutiny Procedure Rules; or
- (d) the Chief Executive or if absent or otherwise unable to act the Corporate Director identified by the Chief Executive from time to time which, for reasons of urgency, cannot await the next meeting of the Council or of any Committee or other body to which the Council has delegated the function in connection with which a decision is required (other than a decision which must by law be taken by the Council itself), subject to the following consultation:
- The Chairperson of any committee or other body to which the Council has delegated the function in respect of which the decision is required or, if there is no such committee or other body, the Mayor;
 - The leader(s) of each political group into which the members of the Council are divided;
 - The Chief Officers (s) (if any) responsible for the function in respect of which the decision is required.
9. Every Chief Officer or Cabinet Member on making a decision after following the evidenced procedure set out in 7 above shall ensure that full details of the decision are completed on the prescribed form in respect of the final decision.
10. Every Chief Officer or Cabinet Member on making a decision under Scheme B2 shall ensure that full details of the decision are completed on the prescribed form in respect of the final decision.
11. The prescribed form shall be signed by the Officer and/or Member making the decision.
12. The written record of a proposed and/or actual decision, the prescribed form, shall be retained for a period of six years from the date of the decision.

13. On completion of the prescribed form in relation to both a proposed and/or actual decision a copy of the prescribed form shall be sent by the Chief Officer and/or Cabinet Member who made the decision:
 - (a) to the Proper Officer for Committees:
 - (b) The Proper Officer for Committees shall supply a copy to the Chairperson of the Overview and Scrutiny Committee responsible for scrutinising decisions made in connection with the discharge of the Cabinet function in respect of which the decision was made.
14. Whilst decisions made in accordance with Scheme A, and Scheme B1 of the Scheme of Delegation, other than those decisions set out in 8 above, are subject to call-in by Overview and Scrutiny Committees, the procedure for which is set out in Part 4 of the Constitution, decisions made in accordance with Scheme B2 of the Scheme of Delegation are not subject to call-in.
15. In the event of any Council Member or Council Officer who is designated in the attached Schedule as a consultee being absent or for any other reason being unable to act as such the Council Member or Council Officer may nominate in writing another Council member or Officer (as the case may be) to act as consultee in his / her place.

General Powers of Chief Officers

The Chief Executive and all Chief Officers have the general powers set out below, in addition, they are authorised to carry out the specific functions of the Council and of the Executive delegated to them in Schemes B1 and B2.

Only in connection with the functions administered by their Directorate/Office, Chief Officers have the power to:

1. Undertake:-
 - (a) the day-to-day management and control of their Directorate/Office, including: directorate, departmental, other divisional reviews of establishment, and amendments to the existing staffing structure which can be funded within existing budgets and / or with the benefit of any additional funding receivable; the approval of shortlists for and making permanent and temporary appointments to all posts within their respective directorates other than those which are the responsibility of Members in accordance with the Local Authorities (Standing Orders) (Wales) Regulations 2006; the determination of applications by staff for special leave of absence.
 - ~~(b) the functions administered by their Directorate/Office and the services for which they are responsible.~~
- 1.1 in pursuance of section 222 of the Local Government Act 1972, in the name of the Council, make representations in the interests of the inhabitants at any public inquiry held by or on behalf of any Minister or public body under any enactment.
- 1.2 exercise the Council's statutory powers to enter upon land and premises for the purposes of inspection, survey, carrying out of any works, investigation of any matter, the taking of samples or for any other purpose for which the Council are so authorised, and to give such notices as may be required in relation thereto.
- 1.3 obtain particulars of persons interested in land under section 16 of the Local Government (Miscellaneous Provisions) Act 1976.

- 1.4 make arrangements for the provisions of supplies and services by and for other local authorities and public bodies (as defined) under the Local Authorities (Goods and Services) Act 1970 or other enabling legislation provided the arrangements comply with procurement regulations.
- 1.5 exercise virement within the financial limits contained in the Financial Regulations.
- 1.6 sign on behalf of the Council / Cabinet any document to give effect to any decision made by the Council / Cabinet within the functions of the directorate when authorised to do so.
- 1.7 accept the lowest tender received where payment is to be made by the Council and the highest tender received where payment is to be received by the Council in consultation with the Procurement Manager.
- 1.8 determine applications for Housing Benefit (including Discretionary Housing Payments) and Council Tax Reduction provided that the decision is recorded on the file.
- 1.9 assess the need of people who may be in need of care services and, if appropriate, the ability of carers to provide care; decide, on the basis of the assessment what, if any, services should be provided to meet those needs; and take all necessary steps to provide those services including the making of contracts for their provision.
- 1.10 To determine the priority accorded to individual applications to the Housing Register and to nominate applicants for accommodation with registered social landlords in accordance with the Council's policies.
- 1.11 To determine applications from owner/occupiers to the Housing Register, in accordance with the Council's policies.
- 1.12 To determine applications for housing which may not fully comply with the requirements of the Council's Housing Register and Allocation Rules, but are considered to be of a particularly urgent or sensitive nature.
- 1.13 To determine applications for assistance by homeless persons and persons threatened with homelessness pursuant to Part 2 of the Housing (Wales) Act 2014 and to secure temporary accommodation as appropriate.
- 1.14 To issue Fixed Penalty Notices in accordance with Section 95A and Schedule 4B of the New Roads and Street Works Act 1991, to offer the opportunity of discharging liability to conviction for an offence by payment of a penalty
2. The Scheme of Delegation takes priority over any of the above provisions. Nothing contained in paragraph 1 shall be used when in conflict with Scheme A. ~~affect or detract from the exercise by a Chief Officer of any function conferred directly on the Chief Officer by any provision of this Scheme of Delegation.~~
3. All Chief Officers may authorise in writing any other Officer or Officers of the Council, specified either by name, or by designation and post reference, either generally or specifically for the purpose, to exercise any or all of the powers authorised to be exercised by them, except for this power, provided that:
 - (a) officer reports to or is responsible to the delegator;
 - (b) the officer is appropriately qualified, trained and experienced;

- (c) the functions to be exercised are within that officer's area of responsibility;
 - (d) it is necessary or desirable for the effective performance of the day to day operation of a service, and
 - (e) It is lawful to do so.
- 3.1 Chief Officers must prepare in writing a scheme authorising any other officers to exercise such powers. Chief Officers shall remain accountable for any action or decisions taken under such authority and shall provide the Monitoring Officer with a copy of the Scheme.
- 3.2 For the avoidance of doubt, where under this scheme a subordinate officer exercises a power, duty or function delegated to him by another officer, the delegation is hereby authorised as if Council / Cabinet delegated it directly and particularly.
4. In the event of a Chief Officer post being vacant or the Chief Officer being unavailable then subject to any arrangements provided for in any scheme of delegation prepared by a Chief Officer under paragraph 3 above that Chief Officer's delegated powers may be exercised by the relevant Heads of Service(s) within that Directorate so far as permitted by law.
5. In the event of the Chief Executive being unavailable then subject to any arrangements provided for in any scheme of delegation prepared by the Chief Executive under paragraph 3 above the Chief Executive's delegated powers may be exercised by the Corporate Director identified by the Chief Executive from time to time.
6. Delegation does not extend to any action which affects another Directorate of the Authority or involves the functions of a Directorate, Department or Individual Officer outside the Directorate of the Chief Officer.

SCHEME A

**CABINET FUNCTIONS DELEGATED TO INDIVIDUAL
CABINET MEMBERS**

Where any delegated power is allocated to an individual Cabinet Member and that Member is absent or otherwise unable to act the power is allocated to the Leader and in the Leader's absence to the Deputy Leader.

Any delegated power includes the authority to undertake any action incidental to the application of the delegated power.

1. FUNCTIONS ALLOCATED TO EACH CABINET MEMBER

	<u>Allocated Functions</u>
1.1	Subject to the requirements of paragraph 18 of the Overview and Scrutiny Procedure Rules, to make decisions on any matters falling within the Cabinet Member's portfolio (other than decisions which are contrary to the Policy Framework or contrary to or not wholly in accordance with the approved Budget) which, if delayed, would seriously prejudice the Council's or the public's interests.
1.2	In respect of any contract having an estimated value exceeding £1,000,000 but not exceeding £5,000,000: <ul style="list-style-type: none"> (a) To authorise the invitation of tenders; and (b) To accept a tender other than the lowest tender received where payment is to be made by the Council, or other than the highest tender received where payment is to be received by the Council where there are special reasons approved by the Section 151 Officer for not accepting the lowest tender or the highest tender as the case may be. (c) To authorise invitation of tenders, to accept a tender or enter into a contract in accordance with any exemption under the Council's Contract Procedure Rules.
1.3	In connection with services falling within the Cabinet Member's portfolio to authorise the submission of tenders for the supply of goods, works or services to another local authority or a public body in accordance with the powers conferred upon the Council by the Local Authorities (Goods and Services) Act 1970 where the estimated value of the proposed tender exceeds £1,000,000 but does not exceed £5,000,000.
1.4	To authorise the disposal of surplus goods acquired in connection with services falling within the Cabinet Member's portfolio having an estimated total value exceeding £100,000 but not exceeding £200,000.
1.5	To declare land or buildings utilised in connection with services falling within the Cabinet Member's portfolio surplus to requirements.
1.6	To approve, subject to the budget process: <ul style="list-style-type: none"> (1) Fees and charges for new services in accordance with any relevant charging policy approved by the Cabinet; and (2) Increases in existing fees and charges which are in accordance with any relevant charging policy approved by the Cabinet and which are necessary to reflect either inflation or other increases in costs.
1.7	To authorise the appointment of consultants providing a professional service whose fees are estimated to exceed £100,000.

<u>Allocated Functions</u>	
1.8	To make a formal response on behalf of the County Borough Council to any Government Paper or Circular and any draft European Union Directive.

2. FUNCTION ALLOCATED TO THE DEPUTY LEADER AND CABINET MEMBER FOR RESOURCES

	<u>Allocated Function</u>
2.1	To authorise the exercise of rights of pre-emption vested in the Council.
2.2	To allocate Capital Programme funds to Town and Community Councils to facilitate community projects, upon the recommendation of the Chief Finance Officer Corporate Property Group .
2.3	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £50,000.

3. FUNCTIONS ALLOCATED TO THE CABINET MEMBER – COMMUNITIES

	<u>Allocated Functions</u>
3.1	<p>(a) To approve the making of applications for orders in pursuance of Section 116 of the Highways Act 1980 and Sections 247, 248 and 249 of the Town and Country Planning Act 1990 and to approve the making, modification or variation of orders in pursuance of any provision contained in the following enactments (or any statutory modification, re-enactment or amendment thereof): Road Traffic Regulation Act 1984; Road Traffic Regulation (Special Events) Act 1994 Town Police Clauses Act 1847;</p> <p>(b) To confirm, where the Council has power to do so, any proposed Order made in accordance with paragraph (a) above to which there are no objections or in respect of which any objections made are withdrawn;</p> <p>(c) Where the Council does not have power to determine any proposed Order to refer the proposed Order to such determining body (i.e. the National Assembly for Wales, the Magistrate’s Court or the County Court) as is appropriate in the circumstances.</p>
3.2	To decide the name and/or numbering of a street, or to change or alter the name and/or numbering of a street, in accordance with the relevant provisions of the Towns Improvement Clauses Act 1847 and the Public Health Act 1925, and to authorise any action considered appropriate as a result of making such a decision.
3.3	To determine requests for the use of Council car parks for purposes not authorised by the relevant Off-Street Parking Places Order and to suspend the use of any parking place or part thereof when considered appropriate.
3.4	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £50,000.

4. FUNCTIONS ALLOCATED TO THE CABINET MEMBER - SOCIAL SERVICES CARE AND EARLY HELP

<u>Allocated Functions</u>	
4.1	To approve any adjustments in the level of fees paid for placements made in Independent Sector Residential and Nursing Care Homes within the County Borough.
4.2	To approve levels of maximum funding to voluntary organisations which are subject to a formal service agreement where the amount of the funding exceeds £50,000.
4.3	To approve any adjustments in the levels of grants, fees and allowances for Children and Young People and their carers in respect of: Children's Foster Care; Residential Care; Adoption Services; Aftercare Services; Respite Care Services: Volunteer Drivers.
4.4	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or Council where the amount of the grant exceeds £50,000.
4.5	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £50,000.

5. FUNCTIONS ALLOCATED TO THE CABINET MEMBER – EDUCATION AND REGENERATION

<u>Allocated Functions</u>	
5.1	In consultation with the Corporate Director - Education and Family Support, to appoint additional LEA school governors to support schools causing concern.
5.2	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or Council where the amount of the grant exceeds £50,000.
5.3	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £50,000.

[6. FUNCTIONS ALLOCATED TO THE CABINET MEMBER – WELLBEING AND FUTURE GENERATIONS](#)

<u>Allocated Functions</u>	
6.1	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £50,000

SCHEME B1

FUNCTIONS DELEGATED TO CORPORATE DIRECTORS SUBJECT TO CONSULTATION AND CALL IN

1. FUNCTIONS DELEGATED TO EACH CHIEF OFFICER

A. COUNCIL / CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
1.1	To authorise the disposal of surplus goods acquired in connection with services for which the Chief Officer concerned is responsible having an estimated total value exceeding £50,000 but not exceeding £100,000.	<p>(1) <u>COUNCIL FUNCTIONS</u> The Chairperson of any committee or other body to which the Council has also delegated the function which includes the service in connection with which the goods were acquired or, if there is no such committee or other body, the Mayor</p> <p>(2) <u>CABINET FUNCTIONS</u> The Cabinet Member with the relevant function</p>
1.2	To authorise the appointment of consultants providing a professional service whose fees are estimated to exceed £50,000 but not exceeding £100,000	<p>(1) <u>COUNCIL FUNCTIONS</u> The Chairperson of any Committee or other body to which the Council has also delegated the function which includes the service in respect of which the fees or charges will be payable or, if there is no such committee or other body, the Mayor</p> <p>(2) <u>CABINET FUNCTIONS</u> The Cabinet Member with the relevant function</p>

B. CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
1.3	To authorise the submission of tenders for the supply of goods, works or services to another local authority or a public body in accordance with the powers conferred upon the Council by the Local Authorities (Goods and Services) Act 1970 where the estimated value of the proposed tender exceeds £100,000 but does not exceed £1,000,000.	The Cabinet Member with the relevant function
1.4	To approve levels of maximum funding to voluntary organisations which are subject to a formal service agreement where the amount of the funding exceeds £10,000 but does not exceed £50,000.	Cabinet Member with the relevant function

1.5	To approve levels of maximum funding to voluntary organisations where the amount of the funding exceeds £10,000 but does not exceed £50,000.	Cabinet Member with the relevant function
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2. FUNCTIONS ALLOCATED TO THE CHIEF EXECUTIVE (OR IF ABSENT OR OTHERWISE UNABLE TO ACT TO THE CORPORATE DIRECTOR IDENTIFIED BY THE CHIEF EXECUTIVE FROM TIME TO TIME)

A. COUNCIL FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
2.1	To make a decision upon any matter which, for reasons of urgency, cannot await the next meeting of the Council or of any Committee or other body to which the Council has delegated the function in connection with which a decision is required (other than a decision which must by law be taken by the Council itself).	<p>(1) The Chairperson of any committee or other body to which the Council has delegated the function in respect of which the decision is required or, if there is no such committee or other body, the Mayor;</p> <p>(2) The leader(s) of each political group into which the members of the Council are divided;</p> <p>(3) The Corporate Director(s) (if any) responsible for the function in respect of which the decision is required</p>

FUNCTIONS ALLOCATED TO THE CHIEF EXECUTIVE

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
2.2	To authorise additional expenditure from within the capital programme for new or existing schemes, subject to a maximum limit of £100,000 and funding availability, which, for reasons of urgency, cannot await the next meeting of the Council.	<p>(1) The Chairperson of any committee, or other body to which the Council has delegated the function in respect of which the decision is required or, if there is no such committee or other body, the Mayor;</p> <p>(2) The Section 151 Officer;</p> <p>(3) The Monitoring Officer (only if the delegation is sub-delegated to the Section 151 Officer).</p> <p>(4) The Leader, or in his absence the appropriate Cabinet Member</p>

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3. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR - OPERATIONAL AND PARTNERSHIP SERVICES

B. COUNCIL / CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
3.1	To instruct counsel or to engage external solicitors in connection with any legal matter affecting the Council where the estimated cost of doing so is estimated to exceed £100,000.	<p><u>COUNCIL FUNCTIONS</u> The Chairperson of any committee or other body to which the Council has delegated the function in respect of which it is proposed to instruct counsel or, if there is no such committee or other body, the Mayor.</p> <p><u>CABINET FUNCTIONS</u> The Cabinet Member with the relevant function</p>
3.2	To authorise the settlement of civil and / or criminal proceedings whether commenced or in anticipation where the amount payable by or to the Council exceeds £100,000.	<p><u>COUNCIL FUNCTIONS</u> The Chairperson of any committee or other body to which the Council has delegated the function to which the proposed relate or, if there is no such committee or other body, the Mayor.</p> <p><u>CABINET FUNCTIONS</u> The Cabinet Member with the relevant function</p>

C. CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
3.3	To provide observations on behalf of the Council to the National Assembly for Wales upon proposals to amend "Planning Guidance Wales" and related Technical Advice Notes.	The Cabinet Member with the relevant function
3.4	To provide observations on behalf of the Council to the appropriate Government Department upon proposals to amend national planning and environmental policy.	Cabinet Member with the relevant function
3.35	To exercise the functions set out in the Scrap Metal Dealers Act 2013	Cabinet Member with the relevant function
3.46	To determine the award of Discretionary Disabled Facilities Lifetime Grants, and the award of the residual Disabled Facilities Top-Up Grants, in accordance with the Private Sector Housing Renewal & Disabled Adaptions Policy	Cabinet Member with the relevant function

	<u>Delegated Functions</u>	<u>Consultee(s)</u>
3.57	To increase or decrease any of the rates payable for any statutory grants administered under the Housing Grants, Construction and Regeneration Act 1996 and any non-statutory grants administered under the Bridgend County Borough Council Private Sector Housing Renewal Policy.	(1) Cabinet Member with the relevant function (2) Chief Finance Officer
3.6	<u>To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or Council where the amount of the grant does not exceed £50,000.</u>	<u>Cabinet Member with the relevant function</u>

4. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR - EDUCATION AND FAMILY SUPPORT

A. CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee</u>
4.1	To issue and serve public notice of proposals to open and to close schools and to consult the public on such proposals.	Cabinet Member with the relevant function
4.2	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or Council where the amount of the grant does not exceed £50,000.	Cabinet Member with the relevant function

5. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR – SOCIAL SERVICES & WELLBEING

A. CABINET FUNCTIONS:

	<u>Delegated Functions</u>	<u>Consultee</u>
5.1	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or Council where the amount of the grant does not exceed £50,000.	Cabinet Member with the relevant function
5.2	To issue and serve public notice of proposals to open and to close leisure facilities and to consult the public on such proposals.	Cabinet Member with the relevant function
5.3	To exercise the Council's functions under the Fostering Services (Wales) Regulations <u>2003</u> relating to the appointment from time to time of new members of the Bridgend Fostering Panel (other than the appointment of elected members of the Council) as and when vacancies arise.	Cabinet Member with the relevant function
5.4	To exercise the Council's functions under the Adoption Agencies Regulations 2005 relating to the appointment from time to time of the Chair and Vice-Chair and members of the	Cabinet Member with the relevant function

	<u>Delegated Functions</u>	<u>Consultee</u>
	Bridgend Adoption Panel (other than the appointment of elected members of the Council) as and when vacancies arise.	

6. **FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR - COMMUNITIES**

A. **COUNCIL FUNCTIONS:**

	<u>Delegated Functions</u>	<u>Consultee</u>
6.1	To provide observations upon the request of the National Assembly for Wales in respect of applications for offshore dredging submitted to the Crown Estate under the "Government View" procedure.	Chairperson or in their absence the Vice-Chairperson of the Planning and Development Committee

B. **CABINET FUNCTIONS:**

	<u>Allocated Functions</u>	<u>Consultee</u>
6.2	To make a decision upon any matter relating to the Council's emergency planning functions which, for reasons of urgency, cannot await the next meeting of the Cabinet.	Leader or in their absence the Deputy Leader
6.3	To authorise the carrying out of civic amenity schemes.	Cabinet Member with the relevant function
6.4	To undertake projects of Sustainable Waste Management within the County Borough.	Cabinet Member with the relevant function
6.5	To make arrangements for publicity for and public consultation on all proposed waste policy documents.	Cabinet Member with the relevant function
6.56	To approve or amend programmes for the preparation of policy documents required by Section 6 of the Planning and Compulsory Purchase Act 2004.	Cabinet Member with the relevant function
6.67	To provide observations on behalf of the Council to the National Assembly for Wales upon proposals to amend "Planning Guidance Wales" and related Technical Advice Notes.	Cabinet Member with the relevant function
6.78	To provide observations on behalf of the Council to the appropriate Government Department upon proposals to amend national planning and environmental policy.	Cabinet Member with the relevant function

	<u>Allocated Functions</u>	<u>Consultee</u>
6.89	To initiate projects for environmental education improvement and management within the County Borough.	Cabinet Member with the relevant function
6.10	To make arrangements for publicity and public consultation for all Council Policy Documents relating to countryside access and management and building conservation.	Cabinet Member with the relevant function
6.11	To make arrangements for publicity and public consultation on projects for environmental education, improvement and management within the County Borough.	Cabinet Member with the relevant function
6.94 2	To increase or decrease the fees chargeable under the Building Regulations by not more than 10%.	(1) Cabinet Member with the relevant function (2) Chief Finance Officer
6.13 0	To authorise the carrying out of Land Reclamation, Coastal Protection and Land Drainage schemes not exceeding an estimated value of £100,000.	Cabinet Member with the relevant function
6.11 4	To review the prescribed limits of financial assistance provided under the grant schemes operated by the Council pursuant to its economic development powers.	Cabinet Member with the relevant function
6.12 5	To provide observations on behalf of the Council to the National Assembly for Wales upon proposals to amend Highways and Transportation policy and regulations.	Cabinet Member with the relevant function
6.13 6	To issue and serve public notice of proposals to open and to close community facilities and to consult the public on such proposals.	Cabinet Member with the relevant function
6.17 4	To authorise, and agree terms for, the disposal of land and buildings, whether by way of a freehold sale or the grant of a lease, in consideration of the payment of a premium at best consideration having an estimated value not exceeding £500,000.	(1) Cabinet Member with the relevant function (2) Corporate Director - Operational and Partnership Services (3) Section 151 Officer or in the event of sub delegation to the Section 151 Officer, then the Deputy Section 151 officer.

	<u>Allocated Functions</u>	<u>Consultee</u>
6.15 8	To authorise, and approve the terms of, any lease to be granted to or by the Council in consideration of the payment of a rent, including any rent in excess of £100,000 per annum payable: <p style="margin-left: 40px;">(a) by the Council; or</p> <p style="margin-left: 40px;">(b) to the Council.</p>	Cabinet Member with the relevant function
6.16 9	To authorise and agree the release of restrictive covenants in favour of or binding the Council for sums exceeding £50,000.	Cabinet Member with the relevant function
6.17 20	To authorise and agree the terms of the surrender of leases by or to the Council including the payment or receipt of a premium exceeding £50,000.	Cabinet Member with the relevant function
6.18 24	To authorise, and agree terms for, the disposal of land and buildings having an estimated value not exceeding £300,000, at an undervalue where it is considered that: The disposal is in the interests of the economic, social or environmental well being of the whole or any part of the Authority's area, or any or all persons resident or present in the Authority's area; and the disposal is in accordance with the General Disposal Consent (Wales) 2003 , the Authority's approved Disposal Strategy and Community Asset Transfer Guidance; and the disposal is at an undervalue of £300,000 or less provided that the disposal is not in breach of any State Aid requirements. .	<ol style="list-style-type: none"> 1) Cabinet Member with the relevant function 2) Corporate Director - Operational and Partnership Services 3) Section 151 Officer or in the event of sub delegation to the Section 151 Officer, then the Deputy Section 151 officer.
6.19 22	To authorise, and agree terms for, the acquisition of land or buildings in connection with scheme which appears in the Council's approved capital estimates a particular category of scheme which appears in the Council's approved capital estimates, provided that the acquisition will not exceed the aggregate capital estimate for the category of scheme.	Cabinet Member with the relevant function.
6.23 0	To exercise any of the Council's powers in respect of Porthcawl Harbour contained in Part V of the Mid Glamorgan County Council Act 1987.	Cabinet Member with the relevant function

SCHEME B2

FUNCTIONS DELEGATED TO CORPORATE DIRECTORS WITHOUT CONSULTATION AND CALL IN.

1. FUNCTIONS ALLOCATED TO EACH CHIEF OFFICER

A. COUNCIL / CABINET FUNCTIONS:

	<u>Allocated Functions</u>
1.1	To authorise the appointment of consultants providing a professional service whose fees do not exceed £50,000.
1.2	To authorise the application for and acceptance of applications for grant aid to the National Assembly for Wales and other appropriate bodies for purposes connected with matters falling within the Directorate.
1.3	To exercise the powers conferred upon them under the Council's Disciplinary and Grievance Procedures.
1.34	In respect of any contract having an estimated value not exceeding £1,000,000: (a) To authorise the invitation of tenders; and (b) To accept a tender other than the lowest tender received where payment is to be made by the Council, or other than the highest tender received where payment is to be received by the Council where there are special reasons approved by the Corporate Procurement Manager in respect of tenders not in excess of £100,000 and by the Section 151 Officer in respect of tenders in excess of £100,000 for not accepting the lowest tender or the highest tender as the case may be. (c) To authorise invitation of tenders, to accept a tender or enter into a contract in accordance with any exemption under the Council's Contract Procedure Rules. Contract Procedure Rules.

B. CABINET FUNCTIONS:

	<u>Allocated Functions</u>
1.5	To authorise the disposal of surplus goods acquired in connection with services for which the Chief Officer is responsible having an estimated total value not exceeding £50,000.
1.6	To authorise the submission of tenders for the supply of goods, works or services to another local authority or a public body in accordance with the powers conferred upon the Council by the Local Authorities (Goods and Services) Act 1970 where the estimated value of the proposed tender exceeds does not exceed £100,000.
1.7	To take any steps necessary to assist the Council in complying with the obligations imposed under the Data Protection Act 1998 in consultation with the Corporate Director - Operational and Partnership Services.

2. FUNCTIONS ALLOCATED TO THE CHIEF EXECUTIVE

A. CABINET FUNCTIONS:

2.1	To take any steps which the Council is empowered to take to recover National Non-Domestic Rates and Council Tax, including the commencement of proceedings and the taking of any steps in connection with the conduct of proceedings.
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2.2	To determine:
	(a) applications for discretionary rating relief from charities; (b) applications for rating relief on grounds of hardship.
2.3	To recommend to the Corporate Director - Operational and Partnership Services the commencement of criminal proceedings in respect of The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (Wales) Regulations 2013.
<u>2.4</u>	<u>To take any steps which the Council is empowered to take for the administering of financial penalties in accordance with the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (Wales) Regulations 2013.</u>
<u>2.54</u>	To refer cases of financial impropriety by Council staff or elected members to the Police for investigation.
<u>2.56</u>	To determine applications from persons or bodies for financial assistance which no other officer has been delegated the power to determine.
<u>2.76</u>	To purchase equipment on behalf of all directorates using a loan under the Prudential Code, having regard to the Single Integrated Partnership Plan.
<u>2.87</u>	To take any steps which the Council is empowered to take for the recovery of rents, sums due under Council mortgages and other income due to the Council, including recommending instructing the Corporate Director – Operational and Partnership Services to commence County Court proceedings.
<u>2.98</u>	To determine mortgage interest rates in accordance with statutory requirements.
<u>2.109</u>	To determine and approve applications for the transfer of Council mortgages and applications for mortgagors for the release of a part of a mortgaged property from the mortgage.
<u>2.101</u>	To determine in conjunction with the Corporate Director – <u>Operational and Partnership Services Communities</u> applications for the re-mortgage or transfer of mortgage of properties purchased with assistance under the Homefinders Scheme.
<u>2.12</u>	<u>To approve requests for consent to the transfer of mortgage interests when satisfied that the transferee has sufficient resources to meet the mortgage repayments and the mortgage account is clear of arrears.</u>
<u>2.134</u>	To do anything which the Council has a power or duty to do that is necessary for the enforcement of Section 11-7 of the Road Traffic Regulation Act 1984 and to recommend to the Corporate Director Operational and Partnership Services the institution of criminal proceedings arising from any breach of those provisions.

3. FUNCTIONS ALLOCATED TO CORPORATE DIRECTOR - OPERATIONAL AND PARTNERSHIP SERVICES

A. COUNCIL FUNCTIONS:

	<u>Allocated Functions</u>
3.1	To determine applications for the grant or renewal of approvals of premises for the solemnization of marriages and civil partnerships in pursuance of section 26(1)(bb) of the Marriage Act 1949 and the Civil Partnership Act 2004, and to revoke such approvals.
3.2	To take all steps required to undertake Compulsory Purchase Orders.
3.3	To exercise any powers available to the Council under the provisions of any contract relating to the determination or forfeiture of the contract.
3.4	To confirm unopposed tree preservation orders under Section 199 of the Town and Country Planning Act 1990.
3.5	To exercise the functions of the Council following the service of a Purchase Notice or Blight Notice, including the issue and service of notices or counter notices.
3.6	To appoint authorised officers for the purposes of Part II of the Local Government (Miscellaneous Provisions) Act 1976, the Local Government (Miscellaneous Provisions) Act 1982, the Licensing Act 2003 and the Gambling Act 2005.
3.7	To grant applications for hackney carriage and private hire vehicle licences and private hire operator licences and to revoke existing licences when replacement vehicle licences are granted, in accordance with the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976, as appropriate.
3.8	To suspend licences pertaining to hackney carriage and private hire vehicles in accordance with sections 60 and 68 of the Local Government (Miscellaneous Provisions) Act 1976
3.9	To grant, suspend and/or revoke, and reinstate existing hackney carriage and private hire vehicle drivers' licences in accordance with such guidelines, conditions, limitations or restrictions as may be prescribed by the Licensing Committee and in accordance with the Town Police Clauses Act 1847 and the <u>L</u> ocal Government (Miscellaneous Provisions) Act 1976 as appropriate.
3.10	To grant or renew the under mentioned applications providing no objections or representations have been received from statutory bodies or the public: <ul style="list-style-type: none"> (a) Amusements with Prizes Permits (other than those relating to arcades) (b) Street Trading Consents

Allocated Functions	
	In accordance with the Gaming Act 1968 and Local Government (Miscellaneous Provisions) Act 1982 as appropriate.
3.11	To vary the conditions attached to Premises Licences which involve the giving of written consent for an activity providing no objections or representations have been received from responsible authorities or the public in accordance with the Licensing Act 2003.
3.12	To grant and renew applications for licences, permits and registrations, and to do anything which the Council has a power or duty to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained in the enactments listed below (subject to any policies prescribed by the Licensing Committee): House to House Collection Act 1939 Police, Factories, etc (Miscellaneous Provisions) Act 1916
3.13	To determine or make decisions (as appropriate) under the Licensing Act 2003 regarding the following matters: (a) Applications for personal licenses (if no objection made); (b) Applications for premises / club premises certificates (if no relevant representations made); (c) Applications for provisional statements (if no relevant representations made); (d) Applications to vary premises / club premises certificates (if no relevant representations made); (e) Applications to vary designated premises supervisor (if no police objection); (f) Requests to be removed as designated premises supervisor; (g) Applications for transfer of premises licence (if no police objection); (h) Applications for interim authorities (if no police objection); (i) Whether a complaint or representation is irrelevant, frivolous or vexatious etc. (j) To do anything which the Council has a power to do (including the power to serve any notice or counter notice) that is necessary for the enforcement of any of the provisions contained in the Licensing Act 2003. (k) To do anything which the licensing authority has a duty or power to do in respect of Temporary Event Notices. (l) To determine applications received under the Legislative Reform (Minor Variations to Premises Licences and Club Premises) Order 2009 in accordance with Secretary of State Guidance. (m) To determine applications received under the Legislative Reform (Supervision of Alcohol Sales in Church and Village Halls & community premises) Order 2009 where there is no objection notice received from the Chief Officer of Police.
3.14	To do anything which the Council has a duty or power to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained within the Town Police Clauses Act 1847 , the Local government (Miscellaneous Provisions) Act 1976, and the Local Government (Miscellaneous Provisions) Act 1982.
3.15	To determine applications to amend the register of common land in accordance with the Commons Registration Act 1965 and Commons Act 2006 where no objections have been received following a statutory consultation process.

<u>Allocated Functions</u>	
3.16	To do anything which the Council has a power to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained within the Commons Registration Act 1965 and Commons Act 2006.
3.17	To issue applications to review premises licences in accordance with s. 197 Gambling Act 2005.
3.18	<p>To determine or make decisions (as appropriate) under the Gambling Act 2005 regarding the following matters:</p> <ul style="list-style-type: none"> (a) Applications for premises licence where no representations have been received or where representations have been withdrawn; (b) Applications for a variation to a licence where no representations have been received or where representations have been withdrawn; (c) Applications for a transfer of a licence where no representations have been received from the Gambling Commission; (d) Applications for a provisional statement where no representations have been received or where representations have been withdrawn; (e) Applications for club gaming/club machine permits where no objections have been received or where objections have been withdrawn; (f) Applications for other permits; (g) Cancellation of licensed premises gaming machine permits; (h) Application for occasional use notice; (i) Application for temporary use notice; (j) Determination of whether representations are frivolous, vexatious or certainly will not influence the Authority's determination of an application. (k) Application for the registration as a Small Society Lottery.
3.19	To exercise any power conferred upon the Council to recover expenses incurred by it as a result of the exercise of any of the powers hereby delegated to him by this Scheme of Delegation.
3.20	To issue licences authorising the use of land as a caravan site ("site licences") in accordance with Section 3(3) of the Caravan Sites and Control of Development Act 1960.
3.21	To license the use of moveable dwellings and camping sites in accordance with Section 268(1) of the Public Health Act 1936.
3.22	To license premises for acupuncture, tattooing, ear-piercing and electrolysis in accordance with Section 13 to 17 of the Local Government (Miscellaneous Provisions) Act 1982.
3.23	To license dealers in game and the killing and selling of game in accordance with Sections 5,6,17,18 and 21 to 23 of the Game Act 1831.
3.24	To register and approve food business establishments in accordance with Article 31 of EC Regulation 882/2004.

<u>Allocated Functions</u>	
3.25	To license premises for the breeding of dogs in accordance with Section 1 of the Breeding of Dogs Act 1973 and Section 1 of the Breeding and Sale of Dogs (Welfare) Act 1999.
3.26	To license dangerous wild animals in accordance with Section 1 of the Dangerous Wild Animals Act 1976.
3.27	To grant consent for the operation of a loudspeaker in accordance with Schedule 2 of the Noise and Statutory Nuisance Act 1993.
3.28	To licence and record the movements of goats, sheep, cattle, pigs and deer in accordance with the provisions of the Disease Control (Wales) Order 2003.
3.29	To approve product specific establishments subject to approval under the provisions of EC Regulation 853/2004.
3.30	All functions under any of the “relevant statutory provisions” within the meaning of Part I (health, safety and welfare in connection with work, and control of dangerous substances) of the Health and Safety at Work etc. Act 1974, to the extent that those functions are discharged otherwise than in the Council’s capacity as an employer.
3.31	The functions described in paragraphs (2), (3) and (4) of Regulation 2 of the Local Authorities Executive Arrangements (Functions and Responsibilities) (Wales) Regulations 2001 to the extent that they are exercisable in connection with the discharge of the functions listed.
3.32	To issue applications to review premises licenses in accordance with s.197 Gambling Act 2005.
3.33	To provide observations to other authorities when the Council is consulted on planning applications in neighbouring areas and there is insufficient time to report such proposals to the Council, such observations to be subsequently reported to Council for information.
3.334	To determine applications and deal with all other issues relating to the administration and enforcement of the Hypnotism Act 1952.
3.35	To institute proceedings for an injunction pursuant to section 187B of the Town and Country Planning Act 1990;

B COUNCIL/CABINET FUNCTIONS:

<u>Allocated Functions</u>	
3.356	To institute and defend all civil and criminal proceedings (including appeals) on behalf of the Council and any other organisation, and to authorise other organisations to do so on behalf of this Authority, as appropriate, where commenced or in anticipation, other than

	<u>Allocated Functions</u>
	proceedings in respect of which any other Council officer has been allocated a similar function (with the exception of members of staff in the Legal Services Department), and to take any other steps in connection with the conduct of proceedings as he deems appropriate, including their withdrawal or discontinuance.
3.367	To authorise the settlement of civil and / or criminal proceedings whether commenced or in anticipation where the amount payable by or to the Council does not exceed £100,000.
3.387	To instruct Counsel or to engage external solicitors in connection with any legal matter affecting the Council where the estimated cost of so doing does not exceed £100,000.
3.39	To institute and conduct legal proceedings on behalf of any Council employee within the Indemnity Policy.
3.3840	To authorise Legal Services staff to appear on behalf of the Council in county court or magistrates' court proceedings in accordance with Section 60 of the County Court Act 1984 and Section 223 of the Local Government Act 1972.
3.3941	To take all steps required to protect the Authority and/or to enable the Authority to undertake its Statutory and Common Law duties and powers.
3.402	To issue and serve statutory notices requisitioning information in respect of interests in and/or the use of land.
3.431	To give any certificate or notice required for the purpose of registering any statutory or other charge at H.M. Land Registry on behalf of the Council.
3.442	To exercise any powers available to the Council under the provisions of any contract relating to the determination or forfeiture of the contract.

C CABINET FUNCTIONS:

	<u>Allocated Functions</u>
3.435	To issue permits for parking places in accordance with Sections 32(1) and 35(1) of the Road Traffic Regulation Act 1984.
3.446	To take appropriate action to enforce any statutory charge over premises existing in the Council's favour.
3.47	To approve requests for consent to the transfer of mortgage interests when satisfied that the transferee has sufficient resources to meet the mortgage repayments and the mortgage account is clear of arrears.

Allocated Functions	
3.48	To issue and serve Advance Payments Code Notices in accordance with the Highways Act 1980.
3.469	To be the person of appropriate seniority designated by the Council to undertake a review upon any decision pursuant to the provisions of Part VII of the Housing Act 1996 and and Part II of the Housing (Wales) Act 2014.
3.475 0	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or the Council where the amount of the grant does not exceed £10,000.
3.485 1	To authorise exhumations subject to any necessary consents being first obtained.
3.495 2	To do anything which the Council has a power or duty to do under the provisions of the following enactments or any subordinate legislation made thereunder: Control of Horses (Wales) Act 2014 Power to seize and impound stray horses Mid Glamorgan County Council Act 1987 – Power to seize and impound stray animals. Section 15 Mid Glamorgan County Council Act 1987 – Power to serve notice requiring works to Section 19 party or boundary walls. Building Act 1984 – Section 77 Power to execute work to dangerous buildings and recover expenses. Building Act 1984 – Section 78 Emergency measures for dealing with dangerous structures
3.530	The service of Improvement Notices and Emergency Prohibition Notices under the following statutory provisions: (a) Food Safety Act 1990; European Communities Act 1972. (b) Service of Remedial Action Notices, Detention Notices, Hygiene Improvement Notices and Hygiene Emergency Prohibition Notices and making of applications for Hygiene Emergency Prohibition Orders under the Food Hygiene (Wales) Regulations 2006.
3.541	Notwithstanding anything contained in this Scheme of Delegations, the Corporate Director Operational and Partnership Services has the power to take any action that he considers necessary to protect the Council's interests in relation to any legislation which provides duties or powers upon the Council.
3.525	To conduct age related surveillance under the Regulation of Investigatory Powers Act 2000
3.536	To approve and execute agreements made pursuant to section 185 of the Water Industry ies Act 1991
3.547	To authorise Officers of the Council to appear on behalf of the Council in magistrates' court proceedings in accordance with Section 223 of the Local Government Act 1972 to obtain approval of authorisations and notices under the Regulation of Investigatory Powers Act

<u>Allocated Functions</u>	
	2000.
3.58	To approve and execute agreements made pursuant to Section 104 of the Water Industry Act 1991
3.595	To apply to the Magistrates' Court for a warrant to enter land under s.196B of the Town and County Planning Act 1990
3.560	To do anything which the Council has the power to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained within the Anti-Social Behaviour, Crime and Policing Act 2014 with the exception of Public Spaces Protection Orders as specified in Part 4, Chapter 2 of the Act.
3.576 4	To determine the award of Mandatory Disabled Facilities Grants and all Discretionary Grants and Loans, and to determine the payment of reasonable and appropriate fees in connection therewith, in accordance with the Private Sector Housing Renewal & Disabled Adaptations Policy, with the exception of the award of Discretionary Disabled Facilities Lifetime Grant.
3.625 8	To authorise, in appropriate circumstances, the waiver of the prior qualifying period for owner-occupiers and tenants specified in the Bridgend County Borough Council Private Sector Housing Renewal Policy in relation to applications for the various types of grant contained therein.
3.596 3	To make discretionary awards to prevent the homelessness of those persons to whom the Authority would otherwise owe a duty to accommodate in accordance with legislation.
3.640	To consider and adjust the professional fees payable to agents engaged by applicants for any grants administered under the Bridgend County Borough Council Private Sector Housing Renewal Policy.
3.651	To adjust grant payments in respect of any statutory grants approved under the Local Government and Housing Act 1989 or the Housing Grants, Construction and Regeneration Act 1996 and any non-statutory grants approved under the Bridgend County Borough Council Private Sector Housing Renewal Policy where: <ul style="list-style-type: none"> (a) Additional works are considered to be necessary which could not have been foreseen at the time of initial approval of the grant; (b) Works which were included in the initial approval have been found to be unnecessary.
3.626	To assess an individual's eligibility for a badge defined in sections 21-21C of the Chronically Sick and Disabled Persons Act 1970 and where appropriate to issue the badge or process an appeals procedure.

4. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR - EDUCATION AND FAMILY SUPPORT

A. CABINET FUNCTIONS:

	<u>Allocated Functions</u>
4.1	To institute proceedings for failures in school attendance pursuant to Section 444 of the Education Act 1996.
4.2	To approve, following appropriate consultation, amendments to the Council's funding formula for schools.
4.3	To approve, following appropriate consultation, amendments to the Council's schools admissions policy.
4.43	To make discretionary awards to students in circumstances falling outside normal guidelines considered by finance and awards.
4.54	To act as the designated officer under the local complaints procedure established under Section 23 of the Education Reform Act 1988.
4.6	To make suitable contractual arrangements for the provision of school transport.
4.7	To terminate school transport contracts in circumstances in which the contractor is in breach of contract.
4.48	To determine and authorise expenditure on projects for which specific approval has been granted by the National Assembly for Wales.
4.59	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or the Council where the amount of the grant does not exceed £10,000.
4.610	In the absence of the Cabinet Member responsible for the education function to appoint additional LEA school governors to support schools causing concern.
4.7	To make suitable contractual arrangements for the provision of school transport.
4.8	To terminate school transport contracts in circumstances in which the contractor is in breach of contract.

5. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR – SOCIAL SERVICES & WELLBEING

A. CABINET FUNCTIONS:

	<u>Allocated Functions</u>
5.1	To receive into guardianship persons who are suffering from a mental disorder.
5.2	To approve mental health professionals as having appropriate competence in dealing with persons who are suffering from a mental disorder.
5.3	To exercise powers of a Deputy upon appointment by the Court of Protection.
5.4	To approve levels of maximum funding to voluntary organisations and to individuals where the amount of the funding does not exceed £10,000.
5.5	To authorise temporary closures or variations in the opening hours of recreation centres.
5.6	To perform the functions of a Nearest Relative in accordance with the Mental Health Act 1983 upon appointment by the County Court or on the authority of the person who has been identified as the patient's nearest relative.
5.7	To sign a tenancy agreement pursuant to an order of the Court of Protection on behalf of a named individual or individuals who lack capacity under the Mental Capacity Act 2005.
5.8	To authorise, and agree terms for, deferred payment agreements and legal charges under the Social Services and Well-Being (Wales) Act 2014 and authorise the registering of the legal charges at the Land Registry on behalf of the Council.
5.9	To determine and authorise expenditure on projects for which specific approval has been granted by the National Assembly for Wales.
5.10	After taking into account any recommendations made by the Bridgend Fostering Panel:
	(a) To approve a person as a foster parent;
	(b) To decide, following a review, that a foster parent and a foster parent's household continue to be suitable and that the terms of a foster parent's approval continue to be appropriate;
	(c) To decide, following a review, that the fostering service provider is no longer satisfied that a foster parent and a foster parent's household continue to be suitable or that the terms of a foster parent's approval continue to be appropriate, and either to terminate the approval from a specified date or to determine the revised terms of the approval as the case may be.

5.11	<p>After taking into account any recommendations made by the Bridgend Adoption Panel and any other matters the Council may in its capacity as an adoption agency be obliged to take into account:</p> <p>(a) To decide whether adoption is in a child's best interest, and if it is so decided, whether an application should be made to free the child for adoption and whether an allowance should be paid;</p> <p>(b) To decide whether a prospective adopter is suitable to be an adoptive parent and</p> <p>(c) To decide whether a prospective adopter would be a suitable adoptive parent for a particular child.</p>
5.12	To authorise temporary closures or variations in the opening hours of libraries
5.13	To undertake the function of the supervisory body for the purposes of the Mental Capacity Act 2005 Deprivation of Liberty Safeguards, and to act as Authorised Signatory when the supervisory body gives an authorisation for deprivation of liberty.

6. FUNCTIONS ALLOCATED TO THE CORPORATE DIRECTOR - COMMUNITIES

A. COUNCIL FUNCTIONS:

Allocated Functions											
6.1	<p>The following provisions together with:</p> <p>(a) The power to determine: Council applications including those submitted by the Corporate Director Communities unless a material planning objection has been received; any application where a local Member has expressed a material planning concern and the delegated decision is in line with that concern or no other objection has been received within the consultation / publicity period and the Chairman of the Development Control Committee does not consider it necessary to report the application to Committee; any application submitted by a Member, a Chief Officer, or any officer reporting directly to the Chief Officer, or any officer in the Development or Highway Services Departments involved in processing/commenting upon applications (or the spouse or partner of any of these) if a material planning objection has not been received.</p> <p>(b) The power to determine all planning applications and applications for reserved matters approval, advertisement consent, listed building consent, conservation area consent, applications for Tree Preservation Order consent and applications under the High Hedges regulations submitted to the Council except applications falling within any of the categories of excepted applications from time to time prescribed by the Council;</p> <p>(c) The power to determine planning applications in accordance with the scheme approved for the time being by the Council;</p> <p>(d) The power to enter into Section 106 Planning Obligations on applications delegated to the Corporate Director in conjunction with the Corporate Director Operational and Partnership Services power to enter into Section 106 Planning Obligations and agree minor changes to Section 106 Legal Agreements in conjunction with the Corporate Director – Operational and Partnership Services and at the discretion of the Chair of the Development Control Committee.</p> <p>(e) The power to agree and make minor changes to Section 106 Agreements which have been agreed by the Development Control Committee in conjunction with the Corporate Director – Operational and Partnership Services and subject to the discretion of the Chair of the Development Control Committee.</p>										
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Planning and Compensation Act 1991 –Section 191 (as amended by Section 10 of the Planning and Compensation Act 1991).	To determine jointly with the Corporate Director - Operational and Partnership Services Certificates of Lawfulness.										

Town and Country Planning Act 1990 – Section 324 and Planning (Listed Buildings and Conservation Areas) Act 1990 – Section 88	To issue written authorisation to appropriate officers to enable them to exercise powers of entry.
Town and Country Planning Act 1990 – Section 330	To issue notices requiring information as to interests in land.
Town and Country Planning (General Permitted Development) Order 1995 – Class A of Part 6 of Schedule 2 to the Order	To determine applications for prior approval in respect of agricultural buildings and operations.
<u>Provision</u>	<u>Summary of Effect</u>
Town and Country Planning (General Permitted Development) Order 1995 – Class A of Part 7 of Schedule 2 to the Order	To determine applications for prior approval in respect of forestry buildings and operations.
Town and Country Planning (General Permitted Development) Order 1995 – Class A of Part 24 of Schedule 2 to the Order	To determine applications for prior approval in respect of development by Telecommunications Code System Operators.
Town and Country Planning (General Permitted Development) Order 1995 – Class A of Part 31 of Schedule 2 to the Order	To determine applications of prior approval of demolition of buildings.
Town and Country Planning Act 1990 – Section 207	The service of tree replacement notices.
Town and Country Planning (General Development Procedure) Order 1995 – Article 21 The Town and Country Planning (Development Management Procedure)(Wales) Order 2012 – Article 23	To authorise works in compliance with conditions imposed on planning permissions.
Town & Country (Environmental Impact Assessment) (England and Wales) Regulations 1999 The Town and Country Planning (Environmental Impact Assessment (Wales) Regulations 2017	To determine whether planning applications should be subject to an environmental assessment.
Town and Country Planning Act 1990 – Section 171C	The service of planning contravention notice and consideration of any offers or representations made in person in response to such a notice.
Town and Country Planning Act 1990 – Section 172	The issue of enforcement notices.
Town and Country Planning Act 1990 – Section 183	The service of stop notices.
Town and Country Planning Act 1990 – Section 171E	The service of temporary stop notices.
Town and Country Planning Act 1990 – Section 187A	The service of breach of condition notices.
Town and Country Planning Act 1990- Section 171A	The service of an Enforcement Warning Notice

	Town and Country Planning Act 1990 – Sections 199 and 201	The power to make a tree preservation order and to include in the order a direction that it shall take effect immediately without previous confirmation.
	Town and Country Planning Act 1990 – Section 333(7)	The power to vary or revoke Tree Preservation Orders in appropriate cases.
	To make emergency Article 4 Directions under the Town and Country Planning (General Permitted Development) Order 1995 (as amended by The Town and Country (General Permitted Development) Order 2013)	To make an emergency Article 4 (2) Direction in Conservation Areas where there is an imminent threat of harm to the character or appearance of Conservation Areas.
6.2	To provide observations to other authorities when the Council is consulted on planning applications in neighbouring areas and there is insufficient time to report such proposals to the Council, such observations to be subsequently reported to Council for information.	
6.23	In consultation with the Corporate Director - Operational and Partnership Services and Monitoring Officer, to determine applications for the use of retail units at the Designer Outlet Village, Bridgend, outside the terms of the agreement concluded under section 106 of the Town and Country Planning Act 1990.	
6.34	To exercise any power conferred upon the Council to recover expenses incurred by it as a result of the exercise of any of the powers hereby delegated to him by this Scheme of Delegation.	
6.4	To authorise the service of Building Preservation Notices on the owners and occupiers of buildings pursuant to the Planning (Listed Buildings and Conservation Areas) Act 1990, Sections 3 and 4 and the Historic Environment (Wales) Act 2016, Section 25.	
6.5	To discuss and express views on behalf of the Council on the development of Strategic Planning Guidance for South East Wales and Waste Planning Policy for South West Wales with other persons and bodies involved in the formulation of national and regional planning policies.	
6.6	Upon being consulted, to provide formal observations, including, where appropriate, objections to neighbouring planning authorities in respect of documents prepared by them to meet requirements of the Planning and Compulsory Purchase Act 2004.	
6.7	To provide observations to other authorities when the Council is consulted on planning applications in neighbouring areas, and to provide a Local Impact Report to the Planning Inspectorate Wales on a Development of National Significance within Bridgend County Borough Council and there is insufficient time to report such proposals to the Council, such observations to be subsequently report to Council for information.	
6.5	To authorise officers to enter land for the purposes set out in section 324 of the Town and Country Planning Act 1990.	
6.86	To exercise the powers relating to the protection of important hedgerows conferred upon the Council by the Hedgerows Regulations 1997.	

6.7	To authorise officers to enter land for the purposes set out in section 196A of the Town and Country Planning Act 1990.
	To provide observations to other authorities when the Council is consulted on planning applications in neighbouring areas and there is insufficient time to report such proposals to the Council, such observations to be subsequently report to Council for information.
6.9	To confirm unopposed tree preservation orders under Section 199 of the Town and Country Planning Act 1990.
6.10	<p>To do anything which the Council has a power or duty to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained in the enactments listed below and any Orders, Regulations or other Instrument made thereunder or relating thereto or any modification or re-enactment of the foregoing and to recommend to the Corporate Director – Operational and Partnership Services the institution of any civil or criminal proceedings arising from any breach of those provisions or that is necessary for the enforcement of any of those provisions:</p> <p>Town and Country Planning Act 1990 Planning (Wales) Act 2015 Criminal Justice Act 2003 Police and Criminal Evidence Act 1984 Town and Country Planning (Control of Advertisements) Regulations 1992 Town and Country Planning (General Permitted Development) Order 1995 Town and Country Planning (Trees) Regulations 1999 Planning (Listed Buildings and Conservation Areas) Act 1990 Historic Environment (Wales) Act 2016</p>

6.11

<p>To do anything which the Council has a power or duty to do under the provisions of the following enactments or any subordinate legislation made thereafter:</p>	
Provision	Summary of Effect
Planning (Listed Buildings and Conservation Areas) Act 1990 – Section 2 and Historic Environment (Wales) Act 2016 – Section 26	Power to publish lists of listed buildings
Planning (Listed Buildings and Conservation Areas) Act 1990 – Section 3 and Historic Environment (Wales) Act 2016 – Section 24	Power to serve notice of listing on owner and occupier
Planning (Listed Buildings and Conservation Areas) Act 1990 – Section 3 and Historic Environment (Wales) Act 2016 – Section 25	Power to temporarily list a building by serving a Building Preservation Notice
Planning (Listed Buildings and Conservation Areas) Act 1990 – Sections 54-60 and Historic Environment (Wales) Act 2016 – Sections 30 and 31	Power to execute urgent works to preserve a listed building and to recover expenses
Planning (Listed Buildings and Conservation Areas) Act 1990 – Sections 57-58	Power to determine applications for grant assistance towards repair or maintenance of historic buildings
Planning (Listed Buildings and	Power to execute urgent works and preserve

Conservation Areas) Act 1990 – Section 76	an unoccupied building in a conservation area and to recover expenses
Planning (Listed Buildings and Conservation Areas) Act 1990 – Sections 79-80	Power to determine applications for grant assistance towards repair or maintenance of historic buildings in a town scheme
Planning (Listed Buildings and Conservation Areas) Act 1990 – Section 44A and the Historic Environment (Wales) Act 2016 – Section 29	Power to serve a Temporary Stop Notice on a person who appears to the authority to be executing the works or causing them to be executed or have an interest in the building

B. CABINET FUNCTIONS:

Allocated Functions	
6.128	To approve applications for grants to voluntary organisations in accordance with the policy approved by the Cabinet or the Council where the amount of the grant does not exceed £10,000.
6.9	To authorise exhumations subject to any necessary consents being first obtained.
6.134 9	To do anything which the Council has a power or duty to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained in the enactments listed below (other than any of those provisions the enforcement of which is not a Cabinet function), and to recommend to the Corporate Director - Operational and Partnership Services the institution of criminal proceedings arising from any breach of those provisions: <ul style="list-style-type: none"> Anti-Social Behaviour Act 2003 Births and Deaths Registration Act 1926 Burial Act 1857 Clean Neighbourhoods & Environment Act 2005 Controlled Waste (England and Wales) Regulations 1992 Cremation Acts 1902 and 1952 Dogs (Fouling of Land) Act 1996 Environmental Protection Act 1990 Health and Safety at Work Act 1974 Local Authorities Cemeteries Order 1977 Local Government Act 1972 Local Government (Miscellaneous Provisions) Act 1982 Mid Glamorgan County Council Act 1987 Refuse Disposal (Amenity) Act 1978
6.144	To exercise the Council's powers under Sections 3, 4, 5 and 6 of the refuse Disposal (Amenity) Act 1978 to remove and dispose of abandoned vehicles and to recover the expenses connected therewith.
6.125	To determine applications for grant assistance under the Inner Urban Areas Act 1978 for improvements to properties in Industrial and Commercial Improvement Areas in accordance with the rules approved by or on behalf of the Council.
6.163	To represent discuss and express views on behalf of the Council on the development of strategic waste planning policies at inter-authority meetings.

6.14	To do anything which the Council has a power or duty to do under the provisions of the following enactments or any subordinate legislation made thereafter:																
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	<table border="1"> <tbody> <tr> <td data-bbox="263 1216 790 1384"><u>Planning (Listed Buildings and Conservation Areas) Act 1990— Section 44A and the Historic Environment (Wales) Act 2016— Section 29</u></td> <td data-bbox="790 1216 1436 1384"><u>Power to serve a Temporary Stop Notice on a person who appears to the authority to be executing the works or causing them to be executed or have an interest in the building</u></td> </tr> </tbody> </table>	<u>Planning (Listed Buildings and Conservation Areas) Act 1990— Section 44A and the Historic Environment (Wales) Act 2016— Section 29</u>	<u>Power to serve a Temporary Stop Notice on a person who appears to the authority to be executing the works or causing them to be executed or have an interest in the building</u>														
<u>Planning (Listed Buildings and Conservation Areas) Act 1990— Section 44A and the Historic Environment (Wales) Act 2016— Section 29</u>	<u>Power to serve a Temporary Stop Notice on a person who appears to the authority to be executing the works or causing them to be executed or have an interest in the building</u>																
6.15	Upon being consulted, to provide formal observations, including, where appropriate, objections to neighbouring planning authorities in respect of documents prepared by them to meet requirements of Section 6 of the Planning and Compulsory Purchase Act 2004.																
6.16	<u>To provide observations to other authorities when the Council is consulted on planning applications in neighbouring areas, and to provide a Local Impact Report to the Planning Inspectorate Wales on a Development of National Significance within Bridgend County Borough Council and there is insufficient time to report such proposals to the Council, such observations to be subsequently report to Council for information.</u>																
6.161 7	To discuss and express views on behalf of the Council on the development of Strategic Planning Guidance for South East Wales and Waste Planning Policy for South West Wales with other persons and bodies involved in the formulation of national and regional planning policies.																
6.171 8	To renew contractual arrangements with the appropriate Government and / or the National Assembly for Wales to maintain existing arrangements to provide secretarial																

	support to the South Wales Aggregates Working Party.
6.181 79	In consultation with the Corporate Director - Operational and Partnership Services and Monitoring Officer to approve service level agreements with the Natural Resources Wales Countryside Council for Wales , Glamorgan Gwent Archaeological Trust, Groundwork Bridgend and Coed Cymru.
6.192 0	To authorise the service of Building Preservation Notices on the owners and occupiers of buildings pursuant to the Planning (Listed Buildings and Conservation Areas) Act 1990, Sections 3 and 4 and the Historic Environment (Wales) Act 2016, Section 25.
6.202 118	To enter into agreements to enable highways to become maintainable at the public expense in accordance with Part IV of the Highways Act 1980.
6.212 219	To authorise the making of orders relating to highways (other than Orders under s. 257 of the Town and Country Planning Act 1990) and the confirmation, modification or variation thereof in accordance with the provisions contained in the following enactments: <ul style="list-style-type: none"> Cycle Tracks Act 1984 Highways Act 1980 Road Traffic Act 1991 Road Traffic Regulation Act 1984 Road Traffic Regulation (Special Events) Act 1994 Town and Country Planning Act 1990 Town Police Clauses Act 1847 Wildlife and Countryside Act 1981
6.222 03	To take any action as is necessary to declare highways to be maintainable at the public expense including where considered appropriate accepting requests for dedication of highways.
6.232 14	To undertake and maintain all works (including alteration and removal where necessary) for highway purposes in accordance with Part V of the Highways Act 1980, and to enter into any agreements in respect of any of the works referred to in Part V of the Highways Act 1980.
6.242 25	To provide services and amenities over a highway and to give consents to other parties as to execution of works and use of objects in accordance with Part Paragraph VIIA of the Highways Act 1980.
6.252 36	To take such action as is necessary to prevent or remove the unlawful interference with, annoyance or nuisance upon, or obstruction of highways including the service of relevant notices where appropriate.

6.262 47	To give consent where required for interference with or obstruction of a highway in accordance with Part IX of the Highways Act 1980.
6.272 58	To exercise all powers contained in Part XI of the Highways Act 1980 (other than the power contained in Section 205 of that Act) as to making up of Private Streets including powers to enter into agreements and the issuing of notices and determination of payments together with any consents or permissions required.
6.282 69	To exercise any power conferred upon the Council where legislation provides to recover expenses incurred by it as a result of the exercise of any of the powers hereby allocated to them.
6.293 927	To take such action as is necessary to stop up private means of access to the highway in accordance with Part VIII of the Highways act 1980.
6.303 428	To take such action as is necessary to enforce the provisions of the Coast Protection Act 1949.
6.313 229	<p>To do anything which the Council has a power or duty to do that is necessary for the enforcement of any of the provisions contained in the enactments listed below and any Orders, Regulations or other Instrument made thereunder or relating thereto or any modification or re-enactment of the foregoing (other than any of those provisions the enforcement of which is not a Cabinet function) and to recommend to the Corporate Director - Operational and Partnership Services the institution of criminal proceedings arising from any breach of those provisions:</p> <ul style="list-style-type: none"> Animals Act 1971 Coast Protection Act 1949 Highways Act 1980 Countryside and Rights of Way Act 2000 Land Drainage Act 1991 Mines, and Quarries and (Tips) Act 1969 National Parks and Access to the Countryside Act 1949 – Section 57 New Roads and Streetw Works Act 1991 – Part III Reservoirs s Act 1975 Road Traffic Act 1991 Road Traffic Regulation Act 1984 Road Traffic Regulation (Special Events) Act 1994 Town and Country Planning Act 1990 Town Police Clauses Act 1847 Transport Act 1985 Transport Act 2000 Wildlife and Countryside Act 1981
6.323 03	To authorise the making of emergency Traffic Orders under the Road Traffic Regulation Act 1984.

6.333 14	To authorise the making of Orders and the issue of Notices under Section 14 of the Road Traffic Regulation Act 1984.	
6.343 25	To do anything which the Council has a power or duty to do under the provisions of the following enactments or any subordinate legislation made thereunder:	
	<u>Provision</u>	<u>Summary of Effect</u>
	Building Act 1984 – Section 77	Power to execute work to dangerous buildings and recover expenses.
	Building Act 1984 – Section 78	Emergency measures for dealing with dangerous structures
	Highways Act 1980 – Section 37	Provision whereby highway created by dedication may become maintainable at public expense.
	Highways Act 1980 - Section 38	Power of highway authorities to adopt by agreement.
	Highways Act 1980 – Section 57	Default powers of highway authorities in respect of non-repair of privately maintainable highways.
	Highways Act 1980 – Section 59	Recovery of expenses due to extraordinary traffic.
	Highways Act 1980 – Section 73	Power to prescribe improvement line for widening street
	Highways Act 1980 – Section 74	Power to prescribe Building Line.
	Highways Act 1980 – Section 122	Power to make temporary diversion where highway about to be repaired or widened.
	Highways Act 1980 – Section 146	Duty to maintain stiles etc. on footpaths and bridleways.
	Highways Act 1980 – Section 147	Power to authorise the erection of stiles etc. on footpaths and bridleways.
	Highways Act 1980 – Section 278	Contributions towards highway works by persons deriving special benefit from them.
	Highways Act 1980 – Section 286	Power to require angles of new buildings at corners of street to be rounded off.
	Highways Act 1980 – Section 287	Power to erect barriers in streets in cases of emergency etc.
	Highways Act 1980 – Section 288	Power to require gas and water pipes to be moved
	Highways Act 1980 – Section 289	Powers of entry of Highway Authority for purposes of survey.
	Highways Act 1980 – Section 290	Supplementary provisions as to powers of entry for the purpose of survey.
	Highways Act 1980 – Section 291	Powers of entry of highway authority for purpose of maintaining, etc., certain structures and works.
	Highways Act 1980 – Section 292	Compensation for damage resulting from, and offences connected with, exercise of powers of entry etc. under Section 289 or 291.
	Highways Act 1980 – Section 293	Powers of entry for purposes connected with certain orders relating to footpaths and bridleways.
	Highways Act 1980 – Section 294	Entry etc., of premises by highway authority or council for certain purposes.
	Highways Act 1980 – Section 295	Power of councils to dispose of certain materials.
	Highways Act 1980 – Section 297	Power of highway authority or council to require

	information as to ownership of land.
Highways Act 1980 – Section 305	Recovery of expenses by Councils and highway authorities.
Local Government (Miscellaneous Provisions) Act 1976 – Sections 23 and 24.	Powers to deal with dangerous trees.
Local Government (Miscellaneous Provisions) Act 1976 – Sections 25 and 26.	Powers to deal with dangerous excavations.
Mid Glamorgan County Council Act 1987 – Section 10	Power to serve notice to reduce the emission of dust etc. from building operations.
Mid Glamorgan County Council Act 1987 – Section 11	Power to serve notice to reduce dust from movement of coal.
Mid Glamorgan County Council Act 1987 – Section 12	Power to weatherproof walls.
Mid Glamorgan County Council Act 1987 – Section 13	Power to approve of plans etc. of retaining walls.
Mid Glamorgan County Council Act 1987 – Section 14	Power to approve plans etc. of new sewers and to serve notices on persons submitting plans etc.
Mid Glamorgan County Council Act 1987 – Section 17	Power to make an order prohibiting the use of residential streets for parking by heavy vehicles.
Mid Glamorgan County Council Act 1987 – Section 19	Power to serve notice requiring works to party or boundary walls.
Mines, <u>and</u> Quarries <u>and</u> (Tips) Act 1969	Inspections and powers in relation to tips.
National Parks and Access to the Countryside Act 1949 – Section 57	Penalty for displaying on public paths notices deterring public use.
New Roads and Street Works Act 1991 – Part III	Control of street works by public utilities undertakers pursuant to a statutory right or street works licence
Reservoirs Act 1975	Inspection and registration of reservoirs.
Road Traffic Regulation Act 1984 – Section 14(1)	Powers to restrict <u>weight and size of</u> vehicles <u>crossing highway bridges using a road.</u>
Wildlife and Countryside Act 1981 – Section 61	Ploughing of public rights of way.
<u>6.353</u> <u>36</u>	To do anything which the Council has a power or duty to do that is necessary for the enforcement of any of the provisions contained in the enactments listed below and any Orders, Regulations or other Instrument made thereunder or relating thereto or any modification or re-enactment of the foregoing (other than any of those provisions the enforcement of which is not a Cabinet function) and to recommend to the Corporate Director - Operational and Partnership Services the institution of criminal proceedings arising from any breach of those provisions: <ul style="list-style-type: none"> Building Act 1984 Burial Act 1857 Clean Neighbourhoods <u>and</u> Environment Act 2005 Health and Safety at Work etc. Act 1974 Highways Act 1980 <u>Local Government (Miscellaneous Provisions) Act 1964</u> Mid Glamorgan County Council Act 1987 Public Health Act 1961 Road Traffic Acts 1988 and 1991
<u>6.363</u> <u>47</u>	To do anything which the Council has a power or duty to do under the provisions of the Building Regulations and of the Building Act 19 <u>89</u> 4 regarding the passing (with or without

	conditions) or rejection of deposited plans, the giving of notices that deposited plans are of no effect and the removal or alteration of offending work.
6.373 58	To undertake the following functions: Notification of Burials under Births and Deaths Registration Act 1926 Memorial Permits under the Local Authorities Cemeteries Order 1977 Notification of Burial under Births and Deaths Registration Act 1926 Memorial Permits under the Local Authorities Cemeteries Order 1977 Notice of Transfer of Duty of Care under Control of Waste Regulations 1992 Notice of Intention to Remove Abandoned Vehicles under the Refuse Disposal (Amenity) Act 1978
	Enforcement of provisions of the Refuse Disposal (Amenity) Act 1978; Section 132 of the Highways Act 1980; the Environmental Protection Act 1990; Section 224 of the Town & Country Planning Act 1990; the Dogs (Fouling of Land) Act 1996 ; the Anti-Social Behaviour Act 2003; and the Clean Neighbourhoods and Environment Act 2005.
6.383 69	To enter into agreements to create footpaths and bridleways in accordance with section 25 of the Highways Act 1980.
6.393 740	To approve applications by eligible businesses for financial assistance under the grant schemes operated by the Council pursuant to its economic development powers.
6.404 1	To do anything which the Council has a power or duty to do (including the power to serve any notice) that is necessary for the enforcement of any of the provisions contained in the enactments listed below and any Orders, Regulations or other Instrument made thereunder or relating thereto or any modification or re-enactment of the foregoing (other than any of those provisions the enforcement of which is not a Cabinet function) and to recommend to the Corporate Director—Operational and Partnership Services the institution of criminal proceedings arising from any breach of those provisions: Town and Country Planning Act 1990 Planning (Wales) Act 2015 Criminal Justice Act 2003 Police and Criminal Evidence Act 1984 Town and Country Planning (Control of Advertisements) Regulations 1992 Town and Country Planning (General Permitted Development) Order 1995 Town and Country Planning (Trees) Regulations 1999 Planning (Listed Buildings and Conservation Areas) Act 1990 Historic Environment (Wales) Act 2016 To authorise expenditure upon marketing and participation in appropriate economic development activities and events.
6.414 238	To appoint officers from the Communities Directorate to be the Secretary and the Deputy Secretary of the Bridgend Local Access Forum.
6.424 339	To undertake the process laid down in the Countryside Access (Local Access Forums) (Wales) Regulations 2001 to seek nominations for membership of the Bridgend Local Access Forum;

6.434 04	To appoint, following discussions with the Head of Neighbourhood Services and the Bridgend Local Access Forum Secretary appropriate applicants to be members of the Bridgend Local Access Forum.
6.441 5	To exercise any power conferred upon the Council to recover expenses incurred by it as a result of the exercise of any of the powers hereby delegated to him by this Scheme of Delegation.
6.454 26	To approve applications for Industrial Estates Improvement Programme grants under £60,000.00.
6.464 37	To exercise the powers conferred upon the Council under the Commons Act 1899 or any other statutory provision in respect of regulated commons, other than the power to make, revoke or alter any byelaws.
6.474 48	To exercise any power conferred upon the Council relating to the adoption and management of Open Space Land, Parks (enclosed) and Playing Fields, including equipped children's play areas, sports pavilions and associated recreational buildings.
6.484 59	To enter into agency agreements with Town and Community Councils under section 43 of the Highways Act 1980 for the maintenance of public rights of way.
6.494 650	To determine applications for Definitive Map Modification Orders made under the Wildlife and Countryside Act 1981, to either formally approve applications or to formally reject applications where there is insufficient evidence to support the allegation that the Definitive Map and Statement for Bridgend is incorrect.
6.505 147	To determine all applications and administrative arrangements in respect of designated grounds and regulated stands under the Safety of Sports Ground Act 1975 and to issue prohibition notices under Section 10 of the Act.
6.51	To authorise officers to have power of entry, issue prohibition notices under Section 10 and undertake responsibilities as to implementation and enforcement under paragraphs 10B and 11 of the Safety of Sports Grounds Act 1975.
6.524 8	To determine applications by tenants for the Council's consent as landlord for: <ul style="list-style-type: none"> (a) the assignment of their leasehold interests; (b) the subletting or parting with possession of the whole or part of the premises let; (c) the change of use of the premises let provided the proposed use: <ul style="list-style-type: none"> (i) falls within the same use class as defined in the Town and Country Planning (Use Classes) Order 1987 as the current use or (ii) is a change of use for which planning permission has been granted either specifically or by the Town and Country Planning (General Permitted Development) Order 1995

	<p>subject to any arrears of rent being paid and any other breaches of covenant being remedied;</p> <p>(d) the creation of a mortgage or charge over their leasehold interests;</p> <p>(e) the making of internal and external alterations and the erection of additions and extensions subject to the tenant obtaining all necessary statutory consents and complying with such other conditions as may be considered appropriate.</p> <p>(f) the surrender of an underlease</p>
6.534 9	To authorise the grant of a lease or tenancy in circumstances in which the identity of the proposed tenant has changed since the terms of the transaction were approved by or on behalf of the Council.
6.504	To authorise and agree terms for the letting of all properties by or to the Council (including the rent payable) at a rent not exceeding £100,000 per annum.
6.515	To approve the settlement of statutory compensation claims.
6.562	To appoint Estate Agents to market for sale any Council land or buildings.
6.537	To authorise, and agree terms for, the disposal of land and buildings whether by way of a freehold sale or the grant of a lease in consideration of the payment of a premium at best consideration having an estimated value not exceeding £300,000.
6.548	To authorise, and agree terms for, the disposal of land and buildings having an estimated value not exceeding £150,000, at an undervalue where it is considered that: The disposal is in the interests of the economic, social or environmental wellbeing of the whole or any part of the Authority's area, or any or all persons resident or present in the Authority's area; and the disposal is in accordance with the General Disposal Consent (Wales) 2003 , the Authority's approved Disposal Strategy and Community Asset Transfer Guidance; and the disposal is at an undervalue of £50,000 or less provided that the disposal is not in breach of any State Aid requirements.
6.559	To agree terms for the renewal of all leases granted by or to the Council.
6.566 9	To authorise and agree terms for the grant of easements and wayleaves and of licences to occupy land by or to the Council.
6.576 4	To make planning applications in respect of land which the Council is proposing to dispose of.
6.586 2	To arrange for title indemnity insurance to be effected in suitable circumstances.

6.596 3	To authorise the service of notices terminating leases or tenancies (including Those of business premises covered by Part II of the Landlord and Tenant Act 1954) where the Council does not oppose the grant of a new lease or tenancy.
6.604	To authorise the service of notices terminating leases and tenancies (other than those relating to business premises covered by Part II of the Landlord and Tenant Act 1954 where it is not intended to oppose the grant of a new lease or tenancy) and of notices to remedy breaches of covenant.
6.615	To recommend the commencement of forfeiture or other legal proceedings against lessees / tenants to the Corporate Director - Operational and Partnership Services and Monitoring Officer.
6.626	To authorise the service of appropriate notices and counter notices and the taking of any other steps required to protect the Council's interests as lessor or lessee.
6.673	To authorise and agree lodging and settling rating appeals submitted by or on behalf of the Council.
6.684	To authorise and agree the release of restrictive covenants in favour of or binding the Council for sums up to a limit of £100,000.
6.659	To authorise and agree terms for the surrender of leases by or to the Council, including the payment or receipt of a premium not exceeding £50,000.
6.667 0	To authorise and agree terms for the resolution of dilapidation claims made by or against the Council.
6.677 4	To authorise and agree terms for the acquisition of land or buildings having an estimated capital or annual value not exceeding £100,000.
6.726 8	To approve the variation of existing lease terms.
6.736 9	To appoint an expert or arbitrator to determine a rent review or any dispute under the provisions of an existing lease <u>where the estimated cost of so doing does not exceed £100,000.</u>
6.740	To authorise the creation of permissive paths on any Council owned land, in consultation with any holding department
6.751	To authorise the dedication of a public right of way (namely a public footpath, public bridleway, or restricted byway) on any Council owned land, in consultation with any holding department.

6.762	To approve levels of maximum funding to voluntary organisations where the amount of the funding does not exceed £10,000.
6.773	To issue and serve statutory notices, in accordance with the Road Traffic Regulation Act 1984, requisitioning information.
6.784	To determine applications by freeholders for the Council's consent : (a) as covenantee where the Council has the benefit of covenants affecting the freeholder's property; (b) as mortgagee where there is a mortgage registered against the freeholder's property in favour of the Council; (c) where the Council's consent is required in accordance with a restriction registered against the freeholder's property in favour of the Council.
6.795	To authorise and agree terms for a deed of covenant on any land or buildings having an estimated capital or annual value not exceeding £100,000.
6.807	To decide that the rent review provisions contained in a lease of property in the Council's ownership should not be implemented when a rent review is deemed inappropriate due to special circumstances.
6.77	To agree the terms of all rent reviews relating to properties leased by and to the Council
6.78	To issue and serve Advance Payments Code Notices in accordance with the Highways Act 1980.

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BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

04 OCTOBER 2017

REPORT OF THE MONITORING OFFICER

APPOINTMENTS TO COUNCIL COMMITTEES AND OTHER COUNCIL BODIES

1. Purpose of Report.

- 1.1 The purpose of this report is to request that Council approve the revised political balance and appointment to Council Committees and other Council bodies following changes to the political groupings of the Council.

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

- 2.1 The establishment of the Committees and other bodies will fulfil the requirements of the Constitution and enable the Council to work towards the successful achievement of all the following Corporate Priorities:-

1. **Supporting a successful economy** – taking steps to make the county a good place to do business, for people to live, work, study and visit, and to ensure that our schools are focused on raising the skills, qualifications and ambitions of all people in the county.
2. **Helping people to be more self-reliant** – taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services.
3. **Smarter use of resources** – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

3. Background.

- 3.1 The Council is required by legislation and the provisions of Part 4 of the Rules of Procedure (Council Procedure Rules) of the Constitution, to undertake arrangements which will continue to facilitate and carry out the decision making processes of the Authority. The recommendations of this report, if adopted, will seek to ensure that this will be successfully achieved.
- 3.2 It is a requirement that Council's committees and panels have memberships which as far as reasonably practicable reflect the political balance of the Council. The Council is also required to review the political balance, when the political make-up of the Council changes or when requested to do so.

4. Current situation / proposals.

4.1 The recent changes to the political make-up of the Council has required a review of the political balance to be undertaken. The current political make-up of the Council is as follows:

• Labour	26 seats	48.15%
• Independent Alliance	10 seats	18.52%
• Conservatives	8 seats	14.81%
• Plaid Cymru	3 seats	5.56%
• Llynfi Independents	3 seats	5.56%
• Independent (JHT)	1 seat	1.85%
• Independent (AW)	1 seat	1.85%
• Independent (JW)	1 seat	1.85%
• Independent Conservative (KW)	1 seat	1.85%

4.2 The revision to the political balance has required the re-distribution of the committee seat allocation to the political groups as shown at **Appendix A**.

4.3 The changes in detail are as follows:

- Appeals Panel - Cllr L Walters to replace Cllr J Williams
- Appointments Committee - Cllr T Giffard to replace Cllr K Watts
- Audit Committee - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr Alex Williams
- Democratic Services Committee - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr K Watts
- Development Control Committee - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr K Watts
- Licensing Act 2003 Committee - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr J Williams
- Licensing Committee - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr J Williams
- TCC Forum - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr Alex Williams
- Scrutiny Subject Committee 1 - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr Alex Williams
Conservative Group nominates Cllr C Webster as Chairperson
- Scrutiny Subject Committee 2 - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr K Watts
- Scrutiny Subject Committee 3 - Conservative group to relinquish 1 seat
One seat to be allocated to Cllr J Williams
- Corporate Scrutiny Committee - Cllr T Giffard to replace Cllr K Watts

Cllr C Webster to replace Cllr Alex Williams
(Chairperson of SOSC 1)

4.3.1 Political groups are able to make one for one changes to their representative on the committees and panels. The following details the known changes that have been requested by the political groups:

- Audit Committee - Cllr Hussain to replace Cllr C Webster
- Democratic Services Committee - Cllr Webster to replace Cllr K Rowlands
- Licensing Act 2003 Committee - Cllr Hussain to replace Cllr Giffard
- Licensing Committee - Cllr Hussain to replace Cllr Giffard
- TCC Forum - Cllr Pucella to replace Cllr Giffard
- SOSC 1 - Cllr Rowlands to replace Cllr Voisey
- Cllr Webster to replace Cllr Walters
- SOSC 2 - Cllr Walters to replace Cllr Giffard
- SOSC 3 - Cllr Voisey to replace Cllr Webster
- Cllr Beedle to replace Cllr R Thomas

4.3.2 These changes have been included in the revised Committee Membership list shown at **Appendix B**.

4.4 Chairpersons of Overview and Scrutiny Committees

4.4.1 In accordance with Statutory Guidance made under the Local Government (Wales) Measure 2011, as the Council has more than 2 political groups and multiple scrutiny committees, political groups represented in the Executive can only appoint as many chairs as are proportionate to their combined share of the Council's overall membership, rounding down if this does not equal the whole number of chairs. The rest of the scrutiny chairs are the "property" of those groups not represented in the Executive. If there is more than one non-executive group, each gets a share of the chairs in proportion to their membership, rounding to the nearest whole number, including zero.

Political Group	% of Seats in Council	Number of Chairs to be allocated
Labour	48.15%	1.93 chairs = 1 chairperson
Independent Alliance	18.67%	0.74 of a chair = 1 chairperson
Conservative	14.81%	0.59 of a chair = 1 chairperson
Lynfi Independents	05.56%	0.22 of a chair = 0 Chairpersons
Plaid Cymru	05.56%	0.22 of a chair = 0 Chairpersons

Notes:

1. The number of scrutiny chairs allocated to the Executive group must be rounded down to the nearest whole number of chairs.
2. The number of chairs provided to non-executive groups are rounded to the nearest whole number (including zero.)

4.4.2 There are 3 appointable Subject Overview and Scrutiny Committee (SOSC) Chairpersons with the Corporate Overview and Scrutiny Committee (COSC) having an un-allocated chairperson. The Corporate Overview and Scrutiny Committee (COSC) appointed Councillor CA Green as its Chairperson on 31 July 2017 and this appointment remains extant.

4.4.3 The revised political balance does not affect the current allocation of Scrutiny Chairpersons to the Subject Overview and Scrutiny Committee (SOSC). The Conservative group have nominated Cllr C Webster as the new Chairperson of SOSC 1 and she is recommended to be appointed by Council.

4.5 Remuneration

4.5.1 The allocation of Senior Salaries was made by Council on 17 May 2017. The revised political balance as shown in paragraph 4.1 has resulted in a change to the largest opposition group from the Conservative to the Independent Alliance group.

4.5.2 The Senior Salary for the Largest Opposition Group will now be paid to the Leader of the Independent Alliance group with the Leader of the Conservative Group receiving remuneration for a Leader of an opposition group with at least 10% of the membership of the Council.

4.5.3 The Senior Salary for the Chairperson of Subject Overview and Scrutiny Committee 1 will be allocated to Cllr C Webster of the Conservative group following her appointment by Council as recommended in paragraph 4.4.3 above.

5. Effect upon Policy Framework & Procedure Rules.

5.1 The provisions and recommendations of the report accord with the Council's Procedure Rules outlined in Part 4 of the Constitution.

6. Equality Impact Assessment

6.1 There are no equality implications attached to this report.

7. Financial Implications.

7.1 There are no financial implications attached to this report.

8. Recommendations.

8.1 Council is recommended to:-

- a. Approve the revised political balance as shown in Appendix A;
- b. Receive nominations from political groups for any one for one changes to their representation on committees and appoint those Councillors to serve on these committees as shown at Appendix B;
- c. Appoint Councillor C Webster as Chairperson of the Subject Overview and Scrutiny Committee 1.

PA Jolley
Monitoring Officer
15 November 2017

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CF31 4WB

Background documents

None.

REVISED POLITICAL BALANCE**APPENDIX A**

Committee	Total	Labour			Conservative			Independent Alliance			Llynfi Independents			Plaid Cymru		
		No	%	Change	No	%	Change	No	%	Change	No	%	Change	No	%	Change
Appeals	12	6	50.00	0	2	16.67	0	2	16.67	0	1	8.33	0	1	8.33	0
Appointments Committee	6	3	50.00	0	1	16.67	0	1	16.67	0	0	0.00	0	1	16.67	0
Audit Committee	12	6	50.00	0	2	16.67	-1	3	25.00	0	0	0.00	0	0	0.00	0
Democratic Services Committee	11	5	45.45	0	2	18.18	-1	2	18.18	0	0	0.00	0	1	9.09	0
Development Control Committee	18	9	50.00	0	2	11.11	-1	3	16.67	0	1	5.56	0	1	5.56	0
Licensing Act 2003 Committee	14	7	50.00	0	2	14.29	-1	2	14.29	0	1	7.14	0	1	7.14	0
Licensing Committee	14	7	50.00	0	2	14.29	-1	2	14.29	0	1	7.14	0	1	7.14	0
Town & Community Council Forum	19	8	42.11	0	3	15.79	-1	4	21.05	0	1	5.26	0	1	5.26	0
Scrutiny 1	16	7	43.75	0	2	12.50	-1	3	18.75	0	1	6.25	0	1	6.25	0
Scrutiny 2	16	8	50.00	0	3	18.75	-1	3	18.75	0	1	6.25	0	0	0.00	0
Scrutiny 3	16	8	50.00	0	2	12.50	-1	4	25.00	0	1	6.25	0	0	0.00	0
Scrutiny 4 Corporate	12	6	50.00	0	2	16.67	0	2	16.67	0	1	8.33	0	1	8.33	0
Totals	166	80	48.19	0	25	15.06		31	18.67		9	5.42		9	5.42	
Councillors	54	26	48.15		8	14.81		10	18.52		3	5.56		3	5.56	
Variation as %			0.04			0.25			0.16			-0.13			-0.13	
Variation as Seats(1% = 1.66 seats)	1.66		0.03			0.41			0.26			-0.22			-0.22	

Committee	Total	Independent			Independent			Independent			Independent Conservative		
		JH Tildesley			A Williams			J Williams			K Watts		
		No	%	Change	No	%	Change	No	%	Change	No	%	Change
Appeals	12	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Appointments Committee	6	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Audit Committee	12	0	0.00	0	1	8.33	+1	0	0.00	0	0	0.00	0
Democratic Services Committee	11	0	0.00	0	0	0.00	0	0	0.00	0	1	9.09	+1
Development Control Committee	18	1	5.56	0	0	0.00	0	0	0.00	0	1	5.56	+1
Licensing Act 2003 Committee	14	0	0.00	0	0	0.00	0	1	7.14	+1	0	0.00	0
Licensing Committee	14	0	0.00	0	0	0.00	0	1	7.14	+1	0	0.00	0
Town & Community Council Forum	19	1	5.26	0	1	5.26	+1	0	0.00	0	0	0.00	0
Scrutiny 1	16	1	6.25	0	1	6.25	+1	0	0.00	0	0	0.00	0
Scrutiny 2	16	0	0.00	0	0	0.00	0	0	0.00	0	1	6.25	+1
Scrutiny 3	16	0	0.00	0	0	0.00	0	1	6.25	+1	0	0.00	0
Scrutiny 4 Corporate	12	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Totals	166	3	1.81		3	1.81		3	1.81		3	1.81	
Councillors	54	1	1.85		1	1.85		1	1.85		1	1.85	
Variation as %			-0.04			-0.04			-0.04			-0.04	
Variation as Seats(1% = 1.66 seats)	1.66		-0.07			-0.07			-0.07			-0.07	

REVISED COMMITTEE MEMBERSHIP

Appeals Panel

Ser	Member	Group	Notes
1.	Pam Davies	Labour	
2.	David Lewis	Labour	
3.	Janice Lewis	Labour	Vice Chairperson
4.	John McCarthy	Labour	Chairperson
5.	Gareth Howells	Labour	
6.	Nicole Burnett	Labour	
7.	Matthew Voisey	Conservative	
8.	Lyn Walters	Conservative	Replacing Cllr J Williams
9.	Norah Clarke	Independent Alliance	
10.	Elaine Venables	Independent Alliance	
11.	Keith Edwards	Llynfi Independents	
12.	James Radcliffe	Plaid Cymru	

Appointments Committee

Ser	Member	Group	Notes
1.	Huw David	Labour	Chairperson
2.	Hywel Williams	Labour	
3.	Cabinet Member	Labour	
4.	Tom Giffard	Conservative	Replacing Cllr Watts
5.	Norah Clarke	Independent Alliance	
6.	Malcolm James	Plaid Cymru	

Audit Committee

Ser	Member	Group	Notes
1.	Mike Kearn	Labour	
2.	Bridie Sedgebeer	Labour	
3.	Rod Shaw	Labour	
4.	Janice Lewis	Labour	
5.	John McCarthy	Labour	
6.	Richard Granville	Labour	
7.	Lyn Walters	Conservative	Chairperson
8.	Altaf Hussain	Conservative	Replacing Cllr Webster
9.	Alex Williams	Independent	Change of group
10.	Cheryl Green	Independent Alliance	
11.	Amanda Williams	Independent Alliance	Vice Chairperson
12.	Michael Clarke	Independent Alliance	

Democratic Services Committee

Ser	Member	Group	Notes
1.	Gareth Howells	Labour	
2.	Steve Smith	Labour	
3.	Richard Granville	Labour	
4.	Bridie Sedgebeer	Labour	
5.	Gary Thomas	Labour	
6.	Sadie Vidal	Conservative	
7.	Carolyn Webster	Conservative	Replacing Cllr Rowlands

Ser	Member	Group	Notes
8.	Ken Watts	Independent Conservative	Replacing Cllr Pucella
9.	Elaine Venables	Independent Alliance	
10.	Sean Aspey	Independent Alliance	
11.	Malcolm James	Plaid Cymru	Chairperson

Development Control Committee

Ser	Member	Group	Notes
1.	Jane Gebbie	Labour	
2.	David Lewis	Labour	
3.	Janice Lewis	Labour	
4.	Nicole Burnett	Labour	
5.	Jon-Paul Blundell	Labour	
6.	John Spanswick	Labour	
7.	Gary Thomas	Labour	Chairperson
8.	Richard Collins	Labour	
9.	Rod Shaw	Labour	Vice Chairperson
10.	Carolyn Webster	Conservative	
11.	Matthew Voisey	Conservative	
12.	Ken Watts	Conservative Independent	Change of Group
13.	Sorell Dendy	Independent Alliance	
14.	Amanda Williams	Independent Alliance	
15.	Roz Stirman	Independent Alliance	
16.	Tom Beedle	Llynfi Independents	
17.	Tim Thomas	Plaid Cymru	
18.	Jefferson Tildesley	JH Tildesley	

Licensing Act 2003/ Licensing Committee

Ser	Member	Group	Notes
1.	Pam Davies	Labour	
2.	Gary Thomas	Labour	
3.	Stuart Baldwin	Labour	
4.	David Lewis	Labour	Chairperson
5.	Janice Lewis	Labour	
6.	Richard Collins	Labour	
7.	Mike Kearn	Labour	Vice Chairperson
8.	Aniel Pucella	Conservative	
9.	Altaf Hussain	Conservative	Replacing Tom Giffard
10.	Julia Williams	Independent	Change of Group
11.	David Owen	Independent Alliance	
12.	Brian Jones	Independent Alliance	
13.	Keith Edwards	Llynfi Independents	
14.	Malcolm James	Plaid Cymru	

Town & Community Council Forum

Ser	Member	Group	Notes
1.	Huw David	Labour	Chairperson
2.	Steve Smith	Labour	
3.	Paul Davies	Labour	
4.	Bridie Sedgebeer	Labour	
5.	Jon-Paul Blundell	Labour	

Ser	Member	Group	Notes
6.	Charles Smith	Labour	
7.	Richard Granville	Labour	
8.	Stuart Baldwin	Labour	
9.	Matthew Voisey	Conservative	
10.	Kay Rowlands	Conservative	
11.	Aniel Pucella	Conservative	Replacing Cllr Giffard
12.	Alex Williams	Independent	Replacing Cllr Hussain
13.	Roz Stirman	Independent Alliance	
14.	Sean Aspey	Independent Alliance	
15.	Brian Jones	Independent Alliance	
16.	Michael Clarke	Independent Alliance	
17.	Ross Thomas	Llynfi Independents	
18.	Tim Thomas	Plaid Cymru	
19.	Jefferson Tildesley	Independent	

Scrutiny Subject Committee 1

Ser	Member	Group	Notes
1.	Jon-Paul Blundell	Labour	
2.	Nicole Burnett	Labour	
3.	Richard Collins	Labour	
4.	Martyn Jones	Labour	
5.	Bridie Sedgebeer	Labour	
6.	Richard Granville	Labour	
7.	Jane Gebbie	Labour	
8.	Kay Rowlands	Conservative	Replacing Cllr Voisey.
9.	Carolyn Webster	Conservative	Replacing Cllr Walters Nominated as Chairperson
10.	Alex Williams	Independent	Change of Group
11.	Sorell Dendy	Independent Alliance	
12.	Amanda Williams	Independent Alliance	
13.	David Owen	Independent Alliance	
14.	Keith Edwards	Llynfi Independents	
15.	James Radcliffe	Plaid Cymru	
16.	Jeferson Tildesley	Independent	

Scrutiny Subject Committee 2

Ser	Member	Group	Notes
1.	David White	Labour	
2.	Jane Gebbie	Labour	
3.	Janice Lewis	Labour	
4.	John McCarthy	Labour	
5.	Martyn Jones	Labour	
6.	Mike Kearn	Labour	
7.	Gary Thomas	Labour	
8.	Steve Smith	Labour	
9.	Aniel Pucella	Conservative	
10.	Sadie Vidal	Conservative	
11.	Lyn Walters	Conservative	Replacing Cllr Giffard

Ser	Member	Group	Notes
12.	Ken Watts	Independent Conservative	Replacing Cllr K Rowlands
13.	Sorell Dendy	Independent Alliance	
14.	Cheryl Green	Independent Alliance	Chairperson
15.	Michael Clarke	Independent Alliance	
16.	Tom Beedle	Llynfi Independents	

Scrutiny Subject Committee 3

Ser	Member	Group	Notes
	Member	Group	Notes
1.	John Spanswick	Labour	Chairperson
2.	Gary Thomas	Labour	
3.	Stuart Baldwin	Labour	
4.	Gareth Howells	Labour	
5.	Richard Granville	Labour	
6.	David Lewis	Labour	
7.	Paul Davies	Labour	
8.	Rod Shaw	Labour	
9.	Altaf Hussain	Conservative	
10.	Matthew Voisey	Conservative	Replacing Cllr Webster
11.	J Williams	Independent	Change of Group
12.	Norah Clarke	Independent Alliance	
13.	Roz Stirman	Independent Alliance	
14.	Elaine Venables	Independent Alliance	
15.	David Owen	Independent Alliance	
16.	Tom Beedle	Llynfi Independents	Replacing Cllr R Thomas

Scrutiny Corporate Committee

Ser	Member	Group	Notes
1.	John Spanswick	Labour	
2.	Bridie Sedgebeer	Labour	
3.	Martyn Jones	Labour	
4.	Jane Gebbie	Labour	
5.	Rod Shaw	Labour	
6.	Jon-Paul Blundell	Labour	
7.	Tom Giffard	Conservative	Replacing Cllr Watts
8.	Carolyn Webster	Conservative	Replacing Cllr Alex Williams
9.	Norah Clarke	Independent Alliance	
10.	Cheryl Green	Independent Alliance	Chairperson
11.	Tim Thomas	Plaid Cymru	
12.	Ross Thomas	Llynfi Independents	

Standards Committee

Ser	Member	Group	Notes
1.	DRW Lewis	Labour	
2.	M Clarke	Independent Alliance	

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE MONITORING OFFICER

INFORMATION REPORTS FOR NOTING

1. Purpose of Report.

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

2. Connection to Corporate Plan / Other Corporate Priorities.

- 2.1 The report relates to the Corporate Plan through improving the way we communicate and engage with citizens.

3. Background.

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

4. Current situation / proposal.

4.1 Information Reports

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

<u>Title</u>	<u>Officer</u>	<u>Date published</u>
Final Statement of Accounts 2016/17	Section 151 Officer	28 September 2017
Urgent Delegated Decisions	Monitoring Officer	28 September 2017

5. Effect upon Policy Framework and Procedure Rules.

- 5.1 This report accords with the relevant Procedure Rules.

6. Equality Impact Assessment.

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

7. Financial Implications.

- 7.1 There are no financial implications regarding this report.

8. Recommendation.

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

P A Jolley
Corporate Director Operational and Partnership Services & Monitoring Officer
September 2017

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Senior Democratic Services Officer - Committees

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Operational & Partnership Services Directorate
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Angel Street
Bridgend
CF31 4WB

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

BRIDGEND COUNTY BOROUGH COUNCIL

INFORMATION REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE SECTION 151 OFFICER

FINAL STATEMENT OF ACCOUNTS 2016-17

1. Purpose of this report

- 1.1 The purpose of this report is to inform Council of the audited Statement of Accounts for 2016-17.

2. Connections to Corporate Improvement Objectives / Other Corporate Priorities

- 2.1 The Council's financial performance is an important element in determining the extent to which the Corporate Objectives can be delivered.

3. Background

- 3.1 The Council's audited Statement of Accounts for the financial year ended 31 March 2017 is attached as Appendix A. The preparation of the statement is a requirement of the Accounts and Audit (Wales) Regulations 2014. Its content is largely defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) 'Code of Practice on Local Authority Accounting in the United Kingdom' (the Code) which is in line with International Financial Reporting Standards and CIPFA's Service Reporting Code of Practice (SerCOP).

- 3.2 The audited Statement of Accounts are signed by the Chief Financial Officer as presenting a true and fair view of the financial position of the Council at 31 March 2017 and are approved by Audit Committee following which, the Auditor General for Wales signs the audit certification.

- 3.3 The Auditor General for Wales' Report to Members is included at page 124 of Appendix A which states that the accounting statements and related notes have been prepared in accordance with proper practice and give a true and fair view of the financial position of the Council. There is also the certification of completion of the audit as required by the Public Audit (Wales) Act 2014.

4. Current Situation / Proposal

- 4.1 The Statement of Accounts set out the Councils finance position as at 31 March 2017 and of the Income and Expenditure for the year to 31

March 2017. The Council Fund balance as at 31 March 2017 presented in the pre-audit Statement of Accounts was £7.960 million. There were no audit adjustments that impacted on this position.

5. Effect upon policy framework & procedural rules

5.1 There are no implications upon policy framework and procedural rules.

6. Equality Impact Assessment

6.1 Whilst the production of the Statement of Accounts itself does not raise any equality issues, it does summarise the financial consequences of the budget reductions and service reconfigurations identified in the Council's Medium Term Financial Strategy. When these proposals were being developed consideration was given to their potential impact on protected groups within the community.

7. Financial implications

7.1 These are reflected in the body of the report.

8. Recommendation

8.1 It is recommended that Members:-

- Note the audited Statement of Accounts 2016-17 (**Appendix A**)

Randal Hemingway
Head of Finance & s151 Officer

Contact Officer : Randal Hemingway, Head of Finance
Mary Williams, Group Manager – Chief Accountant

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Postal address: Raven's Court, Brewery Lane, Bridgend, CF314AP

Background Documents:

Bridgend County Borough Council Statement of Accounts 2016-17
The Accounts and Audit (Wales) (Amendment) Regulations 2014



Bridgend County Borough Council

Statement of Accounts

2016-17



**Bridgend County Borough Council
Civic Offices
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BRIDGEND
CF31 4WB
(01656) 643643**

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Narrative Report

1. The Statement Of Accounts

These Accounts have been produced in line with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) for 2016-17. This is in accordance with International Financial Reporting Standards (IFRS). The main changes include the adoption of the following changes incorporated into the Code of Practice:

Telling the Story – requires changes to the presentation of local authority financial statements through changes in the segmental reporting arrangements for the Comprehensive Income and Expenditure Statement and introduces a new Expenditure and Funding Statement and associated notes. The statement brings together the Council's performance reported on the basis of expenditure measured under proper accounting practices with statutorily defined charges to the Council Fund. This replaces the need for the Council to report the cost of individual services in their Comprehensive Income and Expenditure Statement in accordance with the format specified in Section 3 of the Service Reporting Code of Practice (SeRCOP). This change also introduces a streamlined Movement in Reserves Statement (MiRS) as reflected within this Statement of Accounts.

The accounts consist of the following financial statements:

a) Statement of Responsibilities for the Statement of Accounts

This sets out the respective responsibilities of the Council and the Section 151 officer for the preparation and approval of the Statement of Accounts.

b) Annual Governance Statement

This statement provides a continuous review of the effectiveness of the Council's governance framework including the system of internal control and risk management systems, so as to give assurance on their effectiveness and/or address identified weaknesses.

c) Statement of Accounting Policies

The purpose of this Statement is to explain the basis of the figures in the Accounts. It outlines the accounting policies that have been adopted.

d) The Financial Statements

i. The Comprehensive Income & Expenditure Statement (CIES)

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with statutory requirements; this may be difference from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

The Comprehensive Income and Expenditure Statement is split into two parts.

The first part reflects the full economic cost of providing the services of the authority with the results summarised at the Surplus or Deficit on the Provision of Services line. It represents the operating costs of providing the services of the Council in the year. In the private sector this would be the equivalent to the profit or loss of a company.

The second part, other comprehensive income and expenditure, shows the gains or losses in the measurement of the assets and liabilities of the Council. Those gains or losses arise as a result of

changes in market valuations, interest rates or changes in measurement assumptions relating to pensions assets and liabilities.

For 2016-17, the Council showed a deficit on the Provision of Services of £9.914 million. This contrasts with the budget outturn underspend of £0.356 million, the difference between the two is explained in the Expenditure and Funding Statement.

ii. Expenditure and Funding Statement

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by the Council in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's Directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

iii. Movement in Reserves Statement (MiRS)

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Council, analysed into 'usable reserves' (ie those that can currently be used to fund expenditure or reduce local taxation) and other 'unusable' reserves. It shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Net Increase/Decrease line shows the statutory Council Fund balance movements in the year following those adjustments and this shows that the total Council Fund balance has increased by £0.356 million.

iv. Balance Sheet

The Balance sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves are usable reserves, ie those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt). The second category of reserves represents those that the Council is not able to use to provide services. This category of reserves represents those that the Council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement in 'Adjustment between accounting basis and funding basis under regulations'. The balance sheet shows the Council's net worth was £138.863 million, which is a decrease in net worth of £3.190 million from 2015-16 (which was £142.053 million).

v. Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash

flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the Council. The cash and cash equivalent position of the Council has decreased by £5.518 million.

e) The Notes to the Accounts

These are disclosures relating to the financial statements and include pensions and financial instruments disclosures.

f) Funding Council Services

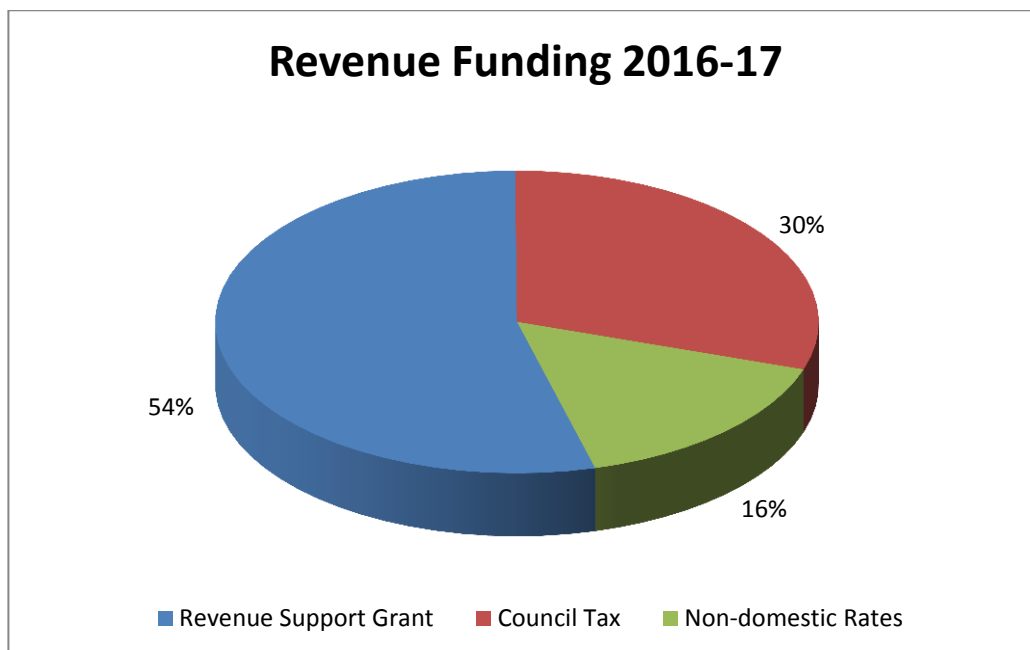
The Council incurs two types of expenditure – revenue expenditure and capital expenditure.

Revenue expenditure covers spending on the day to day costs of services such as staff salaries, maintenance of buildings and general supplies, commissioning and equipment. This expenditure is paid for by the income received from council tax payers, business ratepayers, the fees and charges made for certain services and by grants received from government.

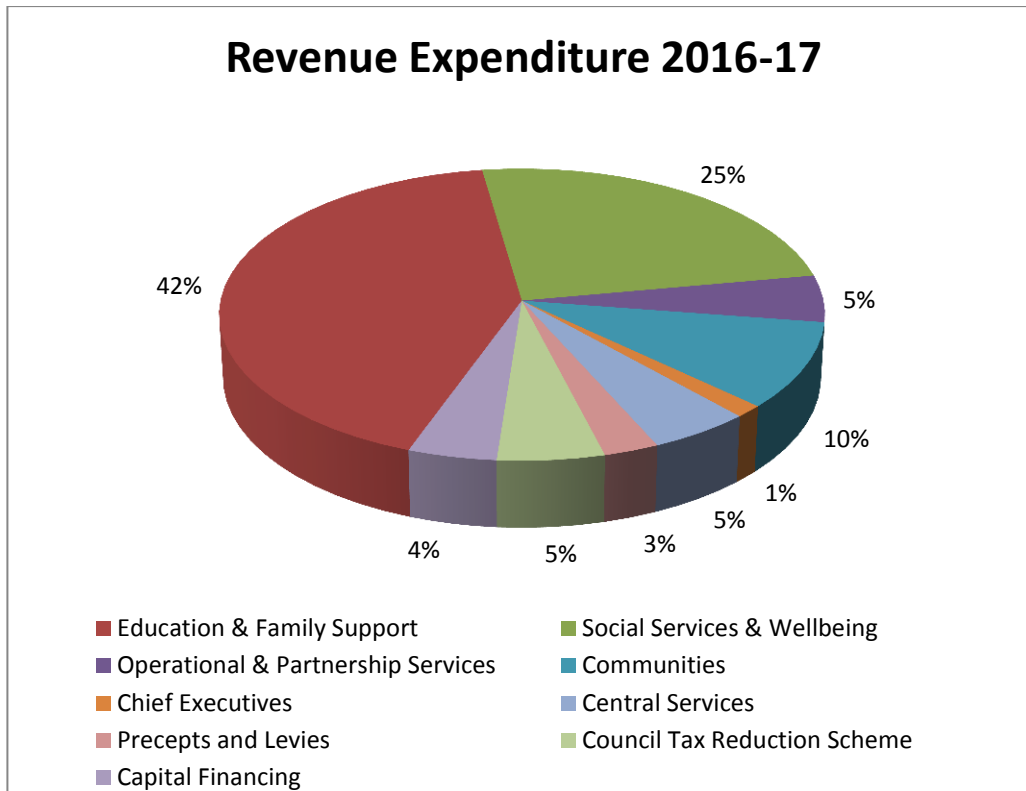
Capital expenditure covers spending on assets such as roads, new schools, redevelopment and the major renovation of buildings. These assets will provide benefits to the community for several years and the expenditure is mainly financed by borrowing and capital grants.

a) Revenue spending on council services

Where the money came from...



Where the money was spent...



In 2016-17 the net spend on revenue services was £211.433 million. This compares to £213.712 million anticipated when the budget was revised, resulting in a £2.279 million underspend on Directorate Budgets. It is important to note that due to movement of services between Directorates year-on-year comparisons cannot be made. The overall position for the Council was a slight underspend of £356,000 after allowing for appropriations to and from Earmarked Reserves, additional income from Council Tax and an under-spend on council-wide budgets.

The following table shows how the actual expenditure on services during 2016-17 compared with the budget set for the year. Explanations are provided for significant differences between spend and budget.

Comparison of actual spend with budget 2016-17

Directorate/Budget Area	Original Budget 2016-17 £'000	Revised Budget 2016-17 £'000	Actual Outturn 2016-17 £'000	Actual Over / (Under) Spend 2016-17 £'000
Directorate Budgets				
Education and Family Support	108,034	108,238	107,653	(585)
Social Services and Wellbeing	59,697	61,383	62,560	1,177
Communities	24,644	24,871	24,517	(354)
Operational and Partnership Services	14,899	14,952	13,236	(1,716)
Chief Executives	4,333	4,268	3,467	(801)
Total Directorate Budgets	211,607	213,712	211,433	(2,279)
Council Wide Budgets				
Capital Financing	10,128	10,128	11,115	987
Precepts and Levies	6,959	6,879	6,881	2
Sleep Ins	800	264	0	(264)
Council Tax Reduction Scheme	14,304	14,304	13,358	(946)
Insurance Costs	1,559	1,559	1,316	(243)
Building Maintenance	900	729	413	(316)
Other Corporate Budgets	8,634	7,316	(1,516)	(8,832)
Total Council Wide Budgets	43,284	41,179	31,567	(9,612)
Accrued Council Tax Income			(974)	(974)
Appropriations to / from Earmarked Reserves			12,509	12,509
Transfer to Council Fund			356	356
Total	254,891	254,891	254,891	0

The overall outturn at 31 March 2017 shows a balanced position, following the transfer of £356,000 to the Council Fund, in line with Principle 8 of the MTFs. After including in-year draw down of reserves, Directorate budgets provided a net underspend of £2.279 million and council wide budgets a net underspend of £9.612 million. These are offset by the requirement to provide Earmarked Reserves for a range of new future risks and expenditure commitments.

The underspend on Directorate net budgets for the year is a result of a number of factors including the maximisation of grant and other income, strict vacancy management and general efficiencies. Directorates drew down £7.751 million in-year from approved earmarked reserves to meet specific one-off pressures identified in previous years, including funding for transformation projects through the Change Fund, funding for capital projects, draw down of school balances, funding for demolition work and service specific one-off pressures.

The underspend masks underlying budget pressures in some service budgets which were reported during the year and still persist. The main financial pressures are in the service areas of Looked After Children and Adult Social Care. It should be noted that these budget areas can be volatile and small

changes in demand can result in relatively high costs being incurred. As patterns of provision change within Directorates, service budgets are reviewed and re-aligned accordingly.

Monitoring of Budget Reduction Proposals

Budget Reductions 2015-16

The MTFS Budget Reduction Contingency was established in line with MTFS Principle 12 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”, and has been used to partly mitigate the shortfalls on the following budget reduction proposals in this financial year.

2015-16 Budget Reduction Shortfalls		
COM 1	MREC	£150,000
COM 11	Blue Badges	£83,000
CH 9	School Transport	£100,000
2016-17 Budget Reduction Shortfalls		
RES29	To rationalise the core office estate - leasing of Raven's Court	£195,000

Budget Reductions 2016-17

A report was presented to Cabinet on 5 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 to be identified. Not all proposals have been fully delivered however and where this is the case Directorates have identified a recurrent solution and mitigating actions to provide a more permanent solution.

The budget approved for 2016-17 included savings proposals of £7.477 million. £2.385 million of these proposals were not realised in full in 2016-17, but the expenditure associated with them has been offset by vacancy management, and other savings elsewhere within the budget. Of the £2.385 million of proposals not fully achieved, £540,000 was realised in 2016-17, leaving a shortfall of £1.845 million. As such there is still a recurrent pressure on 2017-18 budgets which will need to be addressed by implementing agreed savings proposals or identifying and delivering alternatives. Future monitoring reports will review achievement against these targets in addition to 2017-18 budget reductions. A summary of achievement of the budget reduction proposals is provided below.

Achievement of Budget Reductions 2016-17

DIRECTORATE	Total Budget Reductions Required £'000	Total Budget Reductions Achieved £'000	Shortfall £'000
Education and Family Support	976	504	472
Social Services and Wellbeing	2,984	1,993	991
Communities	1,377	1,025	352
Operational and Partnership Services	985	985	0
Chief Executive	217	187	30
Council Wide Budgets	938	938	0
TOTAL	7,477	5,632	1,845

The most significant of those proposals not achieved in full in-year include:

- Home to School College Transport (£450,000) – in particular the achievement of school transport efficiencies and rationalisation of special educational needs transport. Budgets have been realigned in 2017-18 to address the shortfall.
- Transfer of Family Care Service to Community Hubs (£158,000) - This saving should be achieved in full in 2017-18.
- Remodelling of Children's Residential and Respite Care (£200,000) - There is an on-going review of remodelling options to identify savings. The Directorate will need to identify alternative proposals in 2017-18 if this proposal is not achievable.
- Reduction in Safeguarding Looked After Children (LAC) numbers and costs (£357,000) – progress has been made in reducing the existing number of Looked After Children, however the number of new children entering the system is making it very difficult to make savings at the required level. This is being progressed through the Early Intervention and Safeguarding Board.
- Review of Highways maintenance / DLO services (£112,000) – due to a delay in completing the restructure, however this is now complete and the saving will be achieved in full in 2017-18.
- Lease of Raven's Court (£195,000) – met from the MTFs Budget Reduction Contingency Reserve in 2016-17. Active marketing of the building continues however if this is unsuccessful the reduction may be undeliverable.
- Implement some aspects of Council Tax and Housing Benefits on line (£30,000) - delay in implementing Channel Shift prevented full savings being achieved in this financial year.

Directors continue to work with their staff to deliver their proposals or find alternatives to prevent future budget overspends.

Commentary on the financial position as at 31st March 2017

The most significant variances are identified and explained below.

Education and Family Support Directorate

The net budget for the Directorate for 2016-17 was £108.238 million and the actual outturn was £107.653 million, following draw down of £2.54 million from Earmarked Reserves, resulting in an underspend of £585,000. The most significant variances are:

EDUCATION & FAMILY SUPPORT DIRECTORATE	Net Budget £'000	Outturn £'000	Variance Over/ (under) budget £'000	% Variance
Built Environment Service	997	1,010	13	1.3%
Inter Authority Recoupment	126	(519)	(645)	-511.9%
Early Years	606	541	(65)	-10.7%
Behaviour Support Service	1,442	1,359	(83)	-5.8%
School Improvement	966	800	(166)	-17.2%
Strategic Planning and Resources	4,126	4,013	(113)	-2.7%
Home to School/College Transport	3,860	4,986	1,126	29.2%
Catering Services	775	494	(281)	-36.3%
Integrated Working	1,022	856	(166)	-16.2%

Built Environment Service

- Whilst the overall position for the Built Environment service is a small overspend of £13,000, there are underlying variances across the areas of service.
- There was an over spend of £185,000 on the DLO. Charge-out rates were amended in year in line with CIPFA guidance. The result was a reduced charge out rate following the removal of ineligible costs. Close monitoring will be required in 2017-18 on productivity rates to ensure a break even position is achieved going forward. The over spend has been offset by over-recovery of income against the income target in Architects (£81,000) and Quantity Surveyors (£34,000), along with staff vacancy management in Mechanical and Electrical Engineers (£26,000) and the Energy Department (£64,000).

Inter Authority Recoupment

- There is an underspend of £645,000 for out of county education placements, due to a combination of a reduction in the number of placements (28 at March 2016 to 24 at March 2017) as pupils are brought back in-County to be educated (£588,000) and additional income from pupils from other local authorities (£57,000) being placed in Bridgend's schools. £445,000 of this budget has been transferred to the Home to School Transport budget in 2017-18 to mitigate pressures on that budget.

Early Years

- There is an underspend of £65,000 on Early Years due to a combination of vacant posts, an unforeseen increase in grant income and reduced spend on Nursery Development Grants pending 2017-18 MTFS budget reductions.

Behaviour Support Service

- The net underspend of £83,000 is a combination of higher clawbacks from schools arising from an increase in the number of pupils educated other than at school, along with vacant posts at the Bridge Alternative Provision (£116,000). This is offset by increased costs on 1:1 ancillary support due to difficulties in recruitment of permanent staff (£32,000) and consequently use of agency staff at a higher cost to the Council.

School Improvement

- The underspend of £166,000 mainly relates to the delay in appointments to the Development Team (£124,000) which supports the strategic review of schools, and has been used to mitigate other over spends within the Directorate. These posts have now been filled. There is a budget reduction of £68,000 against the Development Team in the MTFS for 2017-18 as an alternative funding source has been identified to enable the budget to be reduced without impacting on service delivery. The balance of the underspend is due to additional grant income.

Strategic Planning and Resources

- The underspend of £113,000 has primarily arisen as a result of later than expected construction of the 21st Century Schools Programme, and the consequent need to borrow as part of the Local Government Borrowing Initiative (LGBI). The revenue funding will be used to repay the cost of borrowing once the schemes progress.
- On 28th March 2017, Cabinet resolved to abandon the proposal to relocate Mynydd Cynffig Primary to the Cynffig Comprehensive School site. Consequently, the cost of design and other works associated with the scheme were recharged to the Directorate revenue budget under this area of service. These amounted to £327,000. This was, however, offset by funding from the Corporate Contingency.

Home to School / College Transport

- There is an overspend on the Home to School/College Transport budget of £1.126 million, of which £337,000 relates to over spends carried forward from 2015-16. The 2015-16 MTFS savings were not fully achieved partly due to 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, budget reductions in respect of changes to the Learner Travel Policy were not fully realised as the agreed change to the policy by Cabinet was not able to be implemented until September 2016 and this did not bring the same level of savings as were originally identified. The overspend has been partly mitigated by a contribution of £100,000 from the MTFS Budget Reduction Contingency Reserve.
- Further efficiencies to Special Education Needs (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 these pressures. Budget realignments have taken place as part of the 2017-18 budget setting process to mitigate the shortfalls in this area of service with the majority coming from the Inter Authority Recoupment under spend identified above.
- The Council has set aside one-off funding in an earmarked reserve to undertake work on safe routes to schools.

Catering Services

- The underspend of £281,000 has arisen partly as a result of strict vacancy management (£116,000). This prudent approach was adopted as labour costs can be affected by disruption to trading days during the winter months, which did not materialise as adverse weather conditions were not experienced. In addition, the service also achieved £139,000 more than their targeted income. This is primarily due to higher demand for secondary school meals than was anticipated when the budgets were set at the start of the financial year.
- These underspends will contribute to the 2017-18 MTFS target for catering of £79,000.

Integrated Working

- Integrated Working has under spent by £166,000. This is primarily due to staff vacancy management of £125,000, with the balance due to an under spend on Volunteer Drivers Support – the service was temporarily ceased in February 2017 pending a review.

Schools' Delegated Budgets

- School balances reduced from £2.154 million at the end of 2015-16 to £866,000 at the end of 2016-17 (a reduction of £1.288 million), representing 0.93% of the funding available. Total deficit budgets equate to £1.225 million and total surplus budgets equate to £2.090 million.
- Out of a total of 59 schools there are 18 schools (13 primary, 4 secondary and 1 special) with deficit budgets and 7 schools (5 primary, 1 secondary, 1 special) with balances in excess of the statutory limits (£50,000 primary, £100,000 secondary and special schools) in line with the School Funding (Wales) Regulations 2010. These balances will be analysed by the Corporate Director - Education and Family Support, in line with the agreed 'Guidance and procedures on managing surplus school balances'.

Social Services and Wellbeing Directorate

The Directorate's net budget for 2016-17 was £61.383 million and the actual outturn was £62.560 million, following draw down of £1.806 million from Earmarked Reserves, resulting in an overspend of £1.177 million. The most significant variances are:

SOCIAL SERVICES AND WELLBEING DIRECTORATE	Net Budget £'000	Outturn £'000	Variance Over/ (under) budget £'000	% Variance
Older People Residential Care	8,084	8,320	236	2.9%
Older People Home Care	8,640	7,936	(704)	-8.1%
Assessment & Care Management Older People and Physical Disability	3,475	2,890	(585)	-16.8%
Learning Disabilities Residential Care	1,458	1,753	295	20.2%
Learning Disabilities Home Care	5,516	6,177	661	12.0%
Learning Disabilities Day Opportunities	3,099	2,896	(203)	-6.6%
Mental Health Home Care	412	626	214	51.9%
Looked After Children	10,546	11,521	975	9.2%

Older People Residential Care

- The overspend has arisen mainly as a result of a reduction in income in respect of nursing care of £230,000 compared to 2015-16. This is mainly due to lower income received on nursing provision in our establishments following a more prudent approach to the recovery of income secured against property, based on historical patterns, which has resulted in less income being accounted for in the 2016-17 financial year.

Older People Home Care

- There is an underspend of £704,000 as a result of reduced costs from the transfer of homecare packages to the independent sector, as part of the Council's strategy to focus local authority homecare on specialist and complex care only.

Assessment and Care Management

- There is an underspend of £301,000 on assessment and care management for older people, and £284,000 on assessment and care management for people with physical disabilities. The underspend has been generated through good vacancy management but also through identification of additional external funding to offset the costs of core service activities.

Learning Disabilities Residential Care

- There has been an overspend of £295,000 as a result of the transition of 'complex needs' children into adult services. This over spend is after draw down of £245,000 from earmarked reserves.
- Going forward, whilst there are no known children with care needs that are coming of age within the next financial year, analysis will be carried out to understand the future demands of the service. Those that have transferred have been assessed to determine the most appropriate form of placement to meet their needs, which are generally at a lower cost.

Learning Disabilities Home Care

- There is an overspend of £661,000 arising from an increase in the number of hours within existing care packages, to meet more complex needs, together with an increase in the number of supported living schemes by one. Income received from charges to other Local Authorities is also less than budgeted.

Learning Disabilities Day Opportunities

- There is an underspend of £203,000 arising from staff vacancies. Most have now been filled with those remaining used to meet budget reductions in 2017-18.

Adult Mental Health Home Care Services

- There is an overspend of £214,000 on home care as a result of increased demand for domiciliary care in this service area, coupled with an increase of two additional service users within the supported living scheme.

Looked After Children (LAC)

- There is an overspend of £975,000 on LAC, after a draw-down of £440,000 from Earmarked Reserves. This is mainly as a result of the delay in implementing a new model for residential services (£400,000 MTFs saving from 2015-16 and 2016-17 to be realised) which has taken some time to establish due to the need for significant research, consultation and options appraisals, and the slower than anticipated safe reduction of looked after children (£357,000 in 2016-17). Project plans for both of these areas are now in place and the required work has gathered momentum, with significant capital work due to take place in 2017-18. There is a plan to place more children into in-house foster placements from high cost independent placements.
- Whilst the number of looked after children across Wales and within Bridgend has continued to rise over recent years, the number as a proportion of the child population has actually decreased. The Early Intervention and Safeguarding Board has been reviewing the type of placements in which our more vulnerable children are placed, and through placement in more appropriate settings, has achieved an overall financial saving. The focus has been, and will continue to be, on reducing the number of out of county placements, where it is appropriate and safe to do so. The number of LAC at the end of March 2017 was 390 compared to 382 at the end of March 2016, and the number of out of county placements is currently 10 with some individual placements costing around £220,000 per annum. Although the net LAC population has increased, it should be noted that:
 - The Service has reduced high cost Independent Fostering Agency (IFA) placements by 7 which can reduce the annual cost by approximately £330,000.
 - 88 children ceases to be LAC but during this time 97 became LAC.

- The Service has implemented its performance strategy identifying high cost placements and transferring to lower cost placements
- When reviewing the LAC population of 390 as at the end of March 2017, the net annual equivalent LAC cost is approximately £290,000 less than the cost of the LAC population of 382 as at April 2016.
- In addition, there are a number of “When I am Ready” clients (where a care leaver continues to live with their foster carer after they turn 18) that are still in a placement, which the Council funds, but do not count as LAC. For 2017-18 this has been recognised as a new budget pressure following the implementation of the Social Services and Wellbeing (Wales) Act 2014 and funded accordingly.

The budget is closely monitored and a recovery plan is in place to work toward reducing the current over spend and ensure that the budget for 2017-18 is effectively managed.

Other Child and Family Services

- This Service is not projecting a significant variance, and therefore this Service isn't reported in the table above. However, it must be noted that this is following the draw-down of £308,000 from Earmarked Reserves to offset the overspend on the joint adoption service. The overspend relates mainly to the contribution to the Western Bay pooled fund. Each authority's contribution is based on the number of placements by each authority as a % of total Western Bay placements, and currently Bridgend's proportion of placements is 34% of the total compared to 24% anticipated when the budget was set. This recognises the proactive approach to trying to reduce the number of looked after children, by providing more permanent solutions. This shortfall has been addressed for 2017-18 through a budget pressure in the MTFs.

Communities Directorate

The net budget for the Directorate for 2016-17 was £24.871 million and the actual outturn was £24.517 million, following draw down of £2.287 million from Earmarked Reserves, resulting in an underspend of £354,000. The most significant variances are:

COMMUNITIES DIRECTORATE	Net Budget	Outturn	Variance Over/ (under) budget	% Variance
	£'000	£'000	£'000	
Development	301	162	(139)	-46.2%
Regeneration	1,788	1,692	(96)	-5.4%
Streetworks	8,018	8,260	242	3.0%
Highways and Fleet	6,127	6,475	348	5.7%
Parks and Open Spaces	2,010	1,942	(68)	-3.4%
Transport & Engineering	842	746	(96)	-11.4%
Streetscene Support	326	253	(73)	-22.4%
Adult Learning	177	83	(94)	-53.1%
Property (Estates)	1,264	867	(397)	-31.4%

Development Control

- There is an underspend of £139,000 due to an increase in the number of larger planning applications which attract higher fee levels during the financial year. Fees are set by Welsh Government and vary according to the type of development. As a result of the number of applications, the service has received more income than budgeted. However, it cannot be

guaranteed that a similar number of large applications will be received next year and so at this point the increased income generated should be regarded as 'one-off'.

Regeneration

- There is an underspend of £96,000 on the Regeneration budget. This is primarily due to staff vacancy management (£50,000) with the balance from underspends on non-staffing budgets. The underspend on non-staffing budgets is partly linked to the early implementation of future MTFS budget reductions, and partly due to an underspend in the Economic Development Unit marketing and promotion budget as a result of the staff capacity constraints and higher than anticipated contributions from sponsors.

Streetworks

- The net overspend of £242,000 on Streetworks includes an over spend on the Waste Disposal Budget of £365,000. The MREC saving of £300,000 for 2015-16 was not achieved, but it was partly mitigated by a contribution of £150,000 from the MTFS Budget Reduction Contingency reserve. Budget re-alignments have taken place as part of the 2017-18 budget setting process to mitigate this shortfall. There were also additional tonnage costs of £454,000 which have been partly offset by savings from the interim Anaerobic Digestion (AD) procurement project of £239,000.
- Under the new waste contract commencing in 2017-18, there is a forecast reduction in the amount of tonnage going to the MREC due to an increase in kerbside recycling and at the Civic Amenity Sites. £196,000 drawn-down from Earmarked Reserves to support procurement project costs for the new Waste Contract which commenced 1 April 2017.
- There is a further budget reduction target of £200,000 in respect of the MREC in 2017-18 which is anticipated to be achieved when the procurement process to appoint a contractor to operate and manage the MREC is concluded. This remains an area of considerable management focus in partnership with Neath Port Talbot CBC. A £100,000 saving is also included in the MTFS for 2017-18 against the AD Procurement exercise which is nearing conclusion.

Highways and Fleet

- The net overspend on Highways and Fleet is £348,000. Included within this is an over spend on Highways Maintenance and Fleet Services of £441,000 which mainly constitutes expenditure on highways maintenance borne by the Directorate (£293,000) along with a downturn in commercial income in Fleet Services (£148,000). The reduction in income is due to a number of factors, including the general reduction in the Council's budgets and the closure of County Supplies. This has been offset by an underspend of £131,000 in street lighting, which has arisen following the Local Government Borrowing Initiative (LGBI) programme of replacement of lanterns, and subsequent reduction in energy costs and required maintenance. This saving will be used in 2017-18 to meet short term shortfalls in MTFS savings, whilst proposals are being progressed e.g. car parking charges review.
- The outturn position of the DLO has been positively affected by South East Wales Trunk Road Agency (SWTRA) requesting additional works on the A470 subsequent to the withdrawal of Merthyr Council from the maintenance activities on the trunk road. Additional requests were also received to assist on trunk road maintenance in the Neath Port Talbot area. It is unclear at this time if any additional works will be requested over and above the service level commitment in 2017-18 and the financial implications of any such requests.

Parks and Open Spaces

- There is an underspend on Parks and Open Spaces of £68,000 primarily due to an underspend on staffing. The underspend has arisen as part of a restructure of the parks service and will not reoccur in 2017-18.

Transport and Engineering

- There is a net underspend across the service of £96,000. Within this there is a pressure on the car park budget of £111,000, primarily due to the delay in the implementation of MTFS budget reductions, including charging for blue badges (£165,000) and increases in car parking charges (£60,000), combined with car park income shortfalls (£140,000). This has been mitigated by a contribution of £83,000 from the MTFS Budget Reduction Contingency Reserve and draw down of funding from Earmarked Reserves. The Directorate has identified mitigating underspends to address this pressure in the short-term. There is a further budget reduction of £50,000 in the 2017-18 MTFS relating to a broad review of car parking including staff and elected member parking passes.
- There is an overspend on Traffic Management and Road Safety of £64,000. £20,000 of this is due to the shortfall on the MTFS saving relating to School Crossing Patrols. The balance of the over spend is due to a shortfall in internal fee income.
- Policy and Development has an overspend of £79,000. This mostly consists of an overspend on staffing costs due to the late implementation of staffing restructures.
- The overspends identified have been offset by Engineering services exceeding their income target (£275,000) primarily due to the balance of working on EU/non EU funded projects compared with previous years. There has also been an underspend under Public Transport Co-ordination due to staff vacancy management (£75,000).

Streetscene Support

- There is an underspend across the service of £73,000 due to staff vacancy management and reduced spend on supplies and services.

Adult Community Learning (ACL)

- There is an underspend across the service of £94,000 due to staff vacancy management. This, in part, was as a result of a reduced programme of courses due to uncertainty about the future provision of ACL following significant changes to the area strategic partnership and Bridgend College's delivery of an ACL programme. This will contribute towards the 2017-18 MTFS saving target of £70,000 for a reduction in Adult Community Learning provision.

Property

- There is an underspend across Property Estates of £397,000. This is mainly due to the draw-down of Welsh Government funding in respect of Hartshorn House of £250,000, which has been transferred into an earmarked reserve to cover operational costs and refurbishment within the commercial property portfolio. There is also an underspend of £117,000 arising from staff vacancies, which is partly offset by an over spend arising from under occupancy of the Innovation Centre, as a result of difficulties in attracting tenants.
- The Section 151 Officer made a one-off allocation from the MTFS Budget Reduction Contingency Reserve against the £195,000 saving in respect of Raven's Court following the failure to lease the building during the financial year.

Operational and Partnership Services Directorate

The net budget for the Directorate for 2016-17 was £14.952 million and the actual outturn was £13.236 million, following draw down of £1.056 million from Earmarked Reserves, resulting in an underspend of £1.716 million. The most significant variances are:

OPERATIONAL AND PARTNERSHIP SERVICES DIRECTORATE	Net Budget	Outturn	Variance Over/ (under) budget	% Variance
	£'000	£'000	£'000	
Housing Options and Homelessness	693	375	(318)	-45.9%
Legal Services	1,976	1,783	(193)	-9.8%
Human Resources & Organisational Development	3,536	3,175	(361)	-10.2%
ICT	3,726	3,466	(260)	-7.0%
Regulatory Services	1,470	1,350	(120)	-8.2%

Housing and Homelessness

- There is an underspend on this area of £318,000. This is mainly as a result of the use of core staff to undertake duties for which the Council receives Welsh Government grant funding (transitional funding and Supporting People grant), and small underspends on other budgets. This budget is currently being reviewed by the Head of Finance and Director of Operational and Partnership Services to ascertain whether or not there is a recurrent budget saving that could be realised going forward.

Legal Services

- The underspend of £193,000 on legal services is partly due to an increase in recovery of legal costs (£69,000), partly due to an underspend on legal costs and disbursements, and the balance due to staffing vacancies (£72,000), most of which are built into the MTFs as budget reductions for 2017-18.

Human Resources and Organisational Development

- Part of the underspend relates to vacancy management in preparation for future MTFs savings (£200,000) and the balance has arisen as a result of vacancies pending recruitment.

ICT

- The underspend of £260,000 is as a result of vacancies within the team, and reduced telephone charges (£40,000), along with an underspend of £168,000 on software licences, due to a proactive approach to the rationalisation of software across the Council when the opportunity arises. Some of these savings are in preparation for future MTFs savings.

Regulatory Services

- The underspend relates to repayment of an underspend on the shared regulatory service following the closure of the 2015-16 accounts, which was primarily due to staff vacancies following the creation of the shared service. The amount of this underspend, and any potential repayment, was not known until the accounts had been audited.

Chief Executives

The net budget for the Directorate for 2016-17 was £4.268 million and the actual outturn was £3.467 million, following draw down of £58,000 from Earmarked Reserves, resulting in an underspend of £801,000. The most significant variances are:

CHIEF EXECUTIVES	Net Budget	Outturn	Variance Over/ (under) budget	% Variance
	£'000	£'000	£'000	
Chief Officers	645	508	(137)	-21.2%
Housing Benefit Administration	696	485	(211)	-30.3%
Housing Benefit Payments	52	(368)	(420)	-807.7%

Chief Officers

- The underspend mainly relates to the vacant staffing budget following the departure of the Corporate Director Resources. This was included in MTFS budget reductions for 2017-18.

Housing Benefit Administration

- There is an underspend in respect of the administration of housing benefit arising mainly from staffing vacancies, but also additional grant income. The 2016-17 budget pressure in relation to the new Emmaus facility was reviewed in quarter 3 and reduced by £100,000 and returned to the corporate budget.

Housing Benefit Payments

- The gross budget is £48.478 million, which is offset by £48.427 million of income, the majority of which is housing benefit subsidy. There is an underspend in respect of the payment of housing benefit of £420,000. This comprises additional recovery of over-payments, totalling £245,000, and £180,000 underspend as a result of the reduced need for a provision for bad debt.

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 net budget is £41.179 million and the actual outturn was £31.567 million, resulting in an underspend of £9.612 million. The most significant variances are detailed below:

COUNCIL WIDE BUDGETS	Net Budget	Outturn	Variance Over/ (under) budget	% Variance
	£'000	£'000	£'000	
Capital Financing	10,128	11,115	987	9.7%
Council Tax Reduction Scheme	14,304	13,358	(946)	-6.6%
Repairs and Maintenance	729	413	(316)	-43.3%
Insurance Premiums	1,559	1,316	(243)	-15.6%
Other Corporate Budgets	7,316	(1,516)	(8,832)	-120.7%

Capital Financing

- The net overspend of £987,000 is a combination of an underspend on interest paid due to lower borrowing than anticipated (£1.3 million), as the Council uses its own internal resources to finance schemes, which is more than offset by a one-off payment of £2.35 million of prudential borrowing in respect of Raven's Court to reduce future capital financing costs. There is also slightly lower interest realised than projected on internal borrowings following the repayment of previous prudential borrowing amounts.

Council Tax Reduction Scheme

- The underspend of £946,000 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. There is a reduction in this budget in the MTFs of £300,000 for 2017-18 with further budget reductions planned for future years, depending on take up at that time.

Repairs and Maintenance

- The underspend of £316,000 is a result of slippage on some minor works schemes and feasibility studies, which will now be completed in 2017-18. An Earmarked Reserve has been established to meet these costs. There is also an underspend on prudential borrowing in respect of the Civic Offices Enveloping Scheme, which will be completed in 2017-18.

Insurance Premiums

- The underspend of £243,000 has mainly arisen as a result of a fortuitous and unexpected rebate in respect of the Maesteg PFI scheme under the contract's premium sharing agreement (£170,000). There is also a small amount of additional income generated from recharges to direct labour organisations for insurance arranged on their behalf.

Other Corporate Budgets

- There is a significant movement on the Council's balance sheet in respect of historic and current council tax and housing benefits debtors. This has created a favourable movement of £3.678 million on other corporate budgets. With regard to housing benefits, these have previously only been established as debtors in the housing benefits system and not in the Council's main accounts. This is a change of accounting treatment which, going forward, will recognise the debts in the year in which they are raised, rather than the year in which they are paid. The balance relates to a reduced bad debt provision in the balance sheet for council tax following higher recovery rates. Consequently these are one-off adjustments and will not reoccur.
- There is also an underspend of £961,000 in respect of insurance monies released into the revenue account to provide a contribution towards the 21st Century Schools programme. This funding has been transferred to earmarked reserves to offset the cost in 2017-18.
- There are a number of other underspends on council wide budgets, totalling £5.09 million including:
 - o Reduced requirement from Directorates in relation to pay and prices following low rates of inflation (£1.58 million). While this has not been required in 2016-17, this is currently a particular risk area for council budgets as inflation indices have risen over recent months.
 - o Lower than expected in-year cost of implementing auto enrolment for new entrants (£400,000). This cost should be fully known by the end of 2017-18 as the Council works towards the end of the auto enrolment transitional period (30 September 2017).
 - o Under spends on other corporate budgets e.g. corporate contingency, provision for increased superannuation and national insurance contributions (£1.7 million).
 - o In addition, funding was held corporately in the budget to meet the budget pressures associated with the Extra Care scheme (£1 million revenue contribution to capital) and implementation of the Welsh Language Standards. Due to the delay in the Extra Care scheme, the funding has been transferred to an Earmarked Reserve, pending construction works. In addition, a number of Welsh Language Standards are currently under appeal, and as a consequence there is a delay in implementation of the full suite of standards, and therefore spend on this budget (£319,000), until the outcome of the appeal is received from the Welsh Language Commissioner.
- These have been partly offset by a one-off payment of £896,000 of prudential borrowing in respect of Glamorgan Records Office to reduce future capital financing costs.

This underspend has enabled a number of new Corporate Earmarked Reserves to be established to meet pressures in 2017-18, some of which were reported in quarter 2 and quarter 3, including in particular contributions to the capital reserve in support of possible future additions to the capital programme (subject to full Council approval) and funding of demolition works, to avoid costs associated with vacant premises. The underspend on Directorate budgets has also enabled a number of new Directorate Earmarked Reserves to be established, to meet service specific pressures that are anticipated to arise in 2017-18, many of which were originally planned to be undertaken in 2016-17. The underspend on accrued council tax income of £974,000 has been transferred into the service reconfiguration reserve to support the cost of transformation programmes. Further information on Earmarked Reserves is provided in note 27 to the Statement of Accounts.

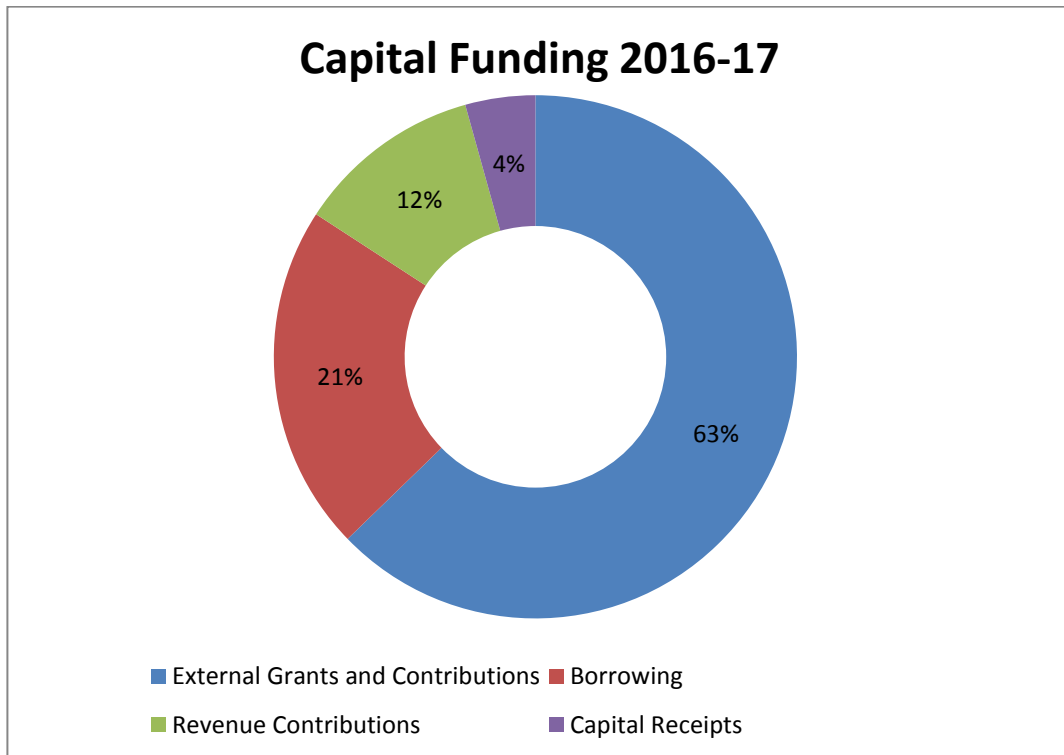
The council wide budgets have been reviewed as part of the MTFS 2017-18 to 2020-21 and will be subject to significant reductions over the life of the MTFS.

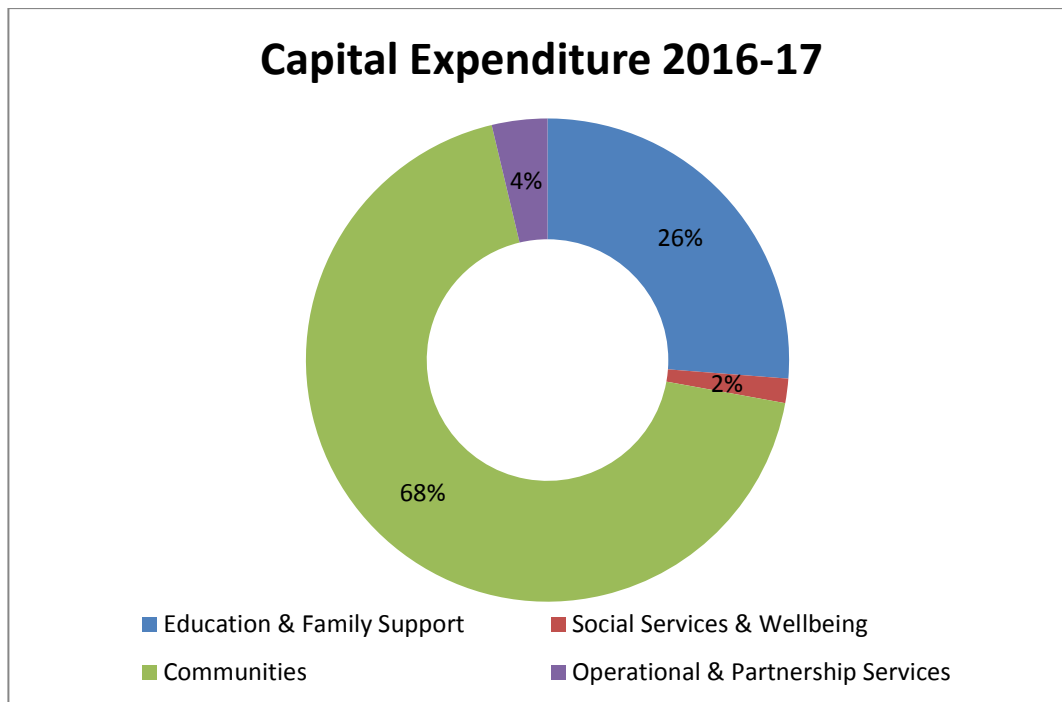
b) Capital spending in 2016-17

In addition to spending money on providing services on a day to day basis, the Council also spends money on providing new facilities, improving assets and the infrastructure, enhancing assets or providing capital grants to others. The total capital spending in 2016-17 was £18.356 million. Assets created, improved or under development as a result of this spend included:

- Vibrant and Viable developments – replacement of car park and new residential and retail accommodation at The Rhiw
- Garw Valley South, Pencoed and Brynmenyn Primary Schools
- Civic Offices refurbishment
- Disabled Facility Grants
- Carriageway reconstruction and street lighting

Where the money came from:



What the money has been spent on:**Capital programme outturn**

The original budget approved by Council on 10 March 2016 was further revised and approved by Council during the year to incorporate budgets brought forward from 2015-16, budgets carried forward into 2017-18, and any new schemes and grant approvals. The revised programme presented to Council on 31 May 2017 totals £18.356 million for 2016-17. The main changes from the capital programme presented to Council on 1 March 2017 are:

- Total slippage of £7.670 million into 2017-18, including:
 - £565,000 in relation to school modernisation schemes;
 - £1 million fund set aside for parks and pavilion improvements to support successful Community Asset Transfer;
 - £922,000 for Housing related / Disabled Facilities grants, as a result of timing differences between grant awards and householder claims. There was slippage against the Disabled Facilities Grants budget in previous years due to delays with occupational health referrals, leading to a backlog, and this has had a knock-on effect to the ability to catch up in the following year. The commitment has carried forward into 2017-18. In addition, there was a delay in receipt of applications for Empty Homes Grants and Gones in Towns Grants which has led to a further underspend. These grants should be fully spent in 2017-18.
 - £480,000 in respect of the purchase of income-generating non-operational assets;
 - £820,000 minor works schemes due to completion of schemes rolled forward from the previous year, subsequent delays in commencing current year schemes and limited capacity within the Built Environment Service.
- Reduced budgets for a number of schemes in 2016-17, totalling £871,000, particularly in respect of the proposed replacement Mynydd Cynffig Primary School which has been removed from the capital programme.

Total expenditure as at 31st March 2017 is £18.266 million, resulting in an underspend of £89,000 on BCBC resources. This under spend will be returned to the Capital Receipts Fund.

c) Borrowing arrangements and sources of funds

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* which requires the Council to approve a Treasury Management Strategy before the start of each financial year. This Strategy fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to this Code of Practice.

The Council's Treasury Management Practices allow the Council to raise funds from a variety of sources. The Section 151 Officer is authorised to take the most appropriate form of borrowing from approved sources within the overall borrowing limits set by Council.

Each year, in accordance with the Local Government Act 2003, and the Prudential Code, the Council is required to set various limits in relation to its Treasury Management activities including limits for debt. The limits set at the start of the financial year were as follows:-

	2016-17 £m
Authorised limit for external debt	
Borrowing	140
Other long term liabilities	30
Total	170
Operational Boundary	
Borrowing	105
Other long term liabilities	25
Total	130

As can be seen from the Balance Sheet as at 31 March 2017 long term borrowing totalled £97.432 million (£97.434 million 2015-16) and long term liabilities totalled £21.064 million (£21.759 million 2015-16) so the Council has operated within the limits set.

3. The Council's Reserves

The financial reserves held by the Council as at 31 March 2017 can be summarised as follows:-

Opening Balance 2016-17 £'000	Reserve	Movement during 2016-17		Closing Balance 2016-17 £'000
		Additions/ Re- classification £'000	Drawdown by Directorates £'000	
7,604	Council Fund Balance	356	-	7,960
2,154	Delegated Schools Balance	-	(1,288)	866
3,706	Maesteg School PFI Equalisation	243	-	3,949
39,053	Earmarked Reserves	13,754	(6,463)	46,344
52,517	TOTAL INCLUDING COUNCIL FUND	14,353	(7,751)	59,119

The Delegated Schools Balances represent amounts held by schools that are committed to be spent on schools and are not available to the Council for general use. Whilst the majority of schools have surplus balances, some are carrying deficits into 2017-18. In line with the the School Funding (Wales) Regulations 2010, and as part of the requirements of the Financial Scheme for Schools, schools have

been asked to provide reasons for their balances. Reasons can include issues such as falling rolls, negative retrospective adjustments and planned initiatives.

The Maesteg School PFI Equalisation Fund has been set up to meet the future costs of the PFI contract, and as such is not available to the Council for general use.

Earmarked Reserves

The Council is required to maintain adequate financial reserves to meet the needs of the organisation. The MTFs includes the Council's Reserves and Balances Protocol which sets out how the Council will determine and review the level of its Council Fund balance and Earmarked Reserves. During 2016-17, Directorates drew down funding from specific Earmarked Reserves and these were reported to Cabinet through the Monitoring Reports. The final Directorate draw-down from Reserves is detailed below:-

	Draw down from Earmarked Reserves 2016-17 £'000
Education & Family Support	2,543
Social Services & Wellbeing	1,806
Communities	2,288
Operational & Partnership Services	1,056
Chief Executives	58
Total	7,751

The draw-down was £4.095 million from Corporate Reserves, £2.368 million from Directorate Reserves and £1.288 million in respect of a net movement on school balances.

At year end, the Protocol requires that the Chief Finance Officer reviews existing Earmarked Reserves, and consider requests from Directorates for new Reserves or additional Corporate Reserves based on new risks or pressures. This review has now been undertaken together with an assessment of the risks and pressures that are sufficiently 'known' or 'probable' over the MTFs period and for which an Earmarked Reserve is therefore required. This review has identified the need for £10.416 million to create new or enhance existing Corporate Reserves including reserves to help support the Capital Programme, to meet the cost of future service reconfigurations (including severance payments), to provide funding for the Extra Care Provision as agreed within the MTFs, to continue with the Council's Digital Transformation programme and to replenish the MTFs Contingency Reserve.

In determining what Directorate Earmarked Reserves are required, priority has been given to those demonstrating significant risk, those which are sufficiently 'known' or 'probable' and those for which funding needs to be set aside as a priority, with consideration given to any existing reserve balances. The total of new and replenishments to existing Directorate Earmarked Reserves is £2.093 million. The largest addition is £1 million to the Looked After Children's Reserve to replenish the reserve and further enhance it following the draw-down of almost £800,000 during the 2016-17 financial year. The total of additions/reclassifications as a result of the Chief Finance Officer's review is £12.509 million.

As per last year, under proper accounting practice as detailed in CIPFA's Code of Practice on Local Authority Accounting, all grants and contributions should be analysed to see whether there are specific conditions attached to them. When the conditions are actually satisfied the grant is credited to the Comprehensive Income and Expenditure Statement regardless of whether the actual expenditure has been incurred. In these cases the Council can decide to transfer the grant monies to an

Earmarked Reserve to fund future expenditure. In 2016-17, there was £841,000 of grants received which, in line with International Financial Reporting Standards (IFRS), have been transferred to Earmarked Reserves to ensure the funding is protected in accordance with the original terms and conditions of the grant or contribution.

There are also a number of 'Equalisation of Spend' Reserves. These Reserves ensure that expenditure that is incurred in a particular future year is smoothed over the period of the MTFs. These include the costs of Elections, Maesteg PFI funding, Building Control costs, Special Regeneration Fund projects and the preparation of the Local Development Plan. These have been enhanced by £647,000 at year end.

A full breakdown of the total movement on Earmarked Reserves as at 31 March 2017 is provided in Note 27 to the Core Financial Statements. Total Reserves excluding the Equalisation of Grants and Spend is £44.418 million, an increase of £4.758 million from the start of the financial year. The remaining under spend on the revenue account of £356,000 will be transferred to the Council Fund.

4. Pension Fund Liability

Disclosure information about retirement benefits in the Statement of Accounts is based on International Accounting Standard (IAS) 19. The pension fund liability that is disclosed in the Balance Sheet is the net position taking into account this Council's notional value of the fund assets, and the amount of money that needs to be set aside to meet the pension earned up to 31 March 2017. This deficit will change on an annual basis dependent on the performance of investments, the actuarial assumptions that are made in terms of current pensioners, deferred pensions and current employees, and the contributions made to the fund. The Pension Liability for 2016-17 is £252.450 million (£245.270 million in 2015-16), an increase of £7.18m. It is matched on the Balance Sheet with a Pension Reserve.

The assumptions used to calculate the pension liability are heavily prescribed by the relevant accounting standard (IAS19). However, the Actuary has more autonomy to apply differing, more Council specific, assumptions when carrying out a triennial revaluation of the Pension Fund, which is used to determine the employer's contribution rates necessary to cover 100% of the pension fund liabilities. The triennial revaluation is therefore arguably a more accurate indication of the deficit that will be payable in the future, and employer contribution rates are set to cover this deficit. Statutory arrangements require benefits earned to be financed as the Council makes employers contributions to pension funds. Consequently, whilst the Council is required to carry out and disclose the IAS19 based pension fund liability, statutory arrangements, combined with triennial actuarial assessments of employer's liabilities, will ensure that funding will have been set aside by the time the benefits come to be paid.

5. The Main Changes to the Accounts for 2016-17 compared to 2015-16

The Council's accounts for the financial year 2016-17 have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2016-17 ('the Code'). This specifies the principles and practices of accounting required to prepare a Statement of Accounts which presents fairly the financial position and transactions of a Local Authority. As identified at the beginning of the Narrative Report, the main change is the introduction of 'Telling the Story' and changes to the presentation of information to aid a better understanding of the Council's service management and this has been reflected in the production of the Statement of Accounts for 2016-17.

6. The Impact of the Current Economic Climate on the Council

The Council's Medium Term Financial Strategy indicates that a number of budget reductions will be challenging and a number of proposals are dependent on re-engineering and remodelling services. It is important that proposals are progressed as quickly as possible and timescales adhered to. The level of balances held is sufficient to enable the Council to respond to unforeseen eventualities and be maintained at a minimum level of £7 million, with a planned rise in line with the Council's Medium Term Financial Strategy of 2.7% of Gross Revenue Expenditure by 2019-20. Service spending must be controlled within budgets to ensure that the financial position of the Council is not compromised. Whilst projections of future funding have been made available these are only indicative estimates and the position could change for future years.

The Statement of Responsibilities for the Statement of Accounts

The Council's responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council that officer is the Head of Finance.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

Signed: _____

Councillor Lyn Walters
Chair of Audit Committee

28 September 2017

Section 151 Officer's Responsibilities

The Section 151 Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Local Authority Code.

The Section 151 Officer has also:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Section 151 Officer's Certificate

I certify that the Statement of Accounts presents a true and fair view of the financial position of Bridgend County Borough Council as at 31 March 2017 and of its income and expenditure for the year ended 31 March 2017

Signed: _____

Randal Hemingway
S.151 Officer & Head of Finance

28 September 2017

Annual Governance Statement 2016-17

1. Scope of Responsibility

- 1.1 Bridgend County Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.
- 1.2 The Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the exercise of its functions in terms of strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.
- 1.3 In discharging its overall responsibilities, the Council is responsible for ensuring that it has proper arrangements for the governance of its affairs and a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.
 - a. The Council has adopted a Code of Corporate Governance which is consistent with the framework developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) (The 2007 edition).
 - b. In 2016, CIPFA and SOLACE published the revised *Delivering Good Governance in Local Government Framework* and the *Delivering Good Governance in Local Government Guidance Notes for Welsh Authorities*. The revised Framework establishes a new set of seven principles that characterise effective governance for all local authority bodies. These principles have superseded those set out previously in 2007. The Council has reviewed its Code of Corporate Governance to reflect these new principles.
- 1.6 Following discussion with the Wales Audit Office (WAO), it has been agreed that 2016-17 will be a transitional year in the way that the Council produces its Annual Governance Statement. For the purposes of this report, the Council has followed the historical six principles as set out in the 2007 Framework in demonstrating strong governance and where possible has included evidence to support governance against the new principles. Next year the Council will draw on the new principles in producing its Annual Governance Statement in line with the new 2016 framework.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems, processes and values by which the Council is directed and controlled and the means by which it accounts to, engages with and leads the local community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to make appropriate use and prevent loss of public funds. It also assists with managing the risk of failure to achieve policies, aims and objectives. It does not eliminate all risk; the system of internal

control is designed to identify and prioritise risks, evaluate the likelihood of those risks materialising and to manage their impact.

2.3 The following paragraphs summarise the governance framework and the system of internal control, which has been in place within the Council for the year ended 31 March 2017. The description of the arrangements in place is built around the core principles set out in the Council's Code of Corporate Governance.

3. The Governance Framework

The table below outlines the governance framework by which the Council is directed and controlled and through which it accounts to, engages with and, where appropriate, leads its communities

Key Documents: Annual Review/ Production	Key Documents: Ad hoc Review/Production	Process/ Regulatory Monitoring
Corporate Plan Medium Term Financial Strategy Annual Report Annual Governance Statement Asset Management Plan Budget Book Communications, Marketing and Engagement Strategy Code of Corporate Governance Corporate Risk Assessment Directorate Business Plans Financial Resilience Report Single Integrated Partnership Plan Statement of Accounts Treasury Management Strategy Workforce Plan	Anti-Fraud and Bribery Policy Anti-Money Laundering Policy Assessment of Local Wellbeing Business Continuity Plans Code of Conduct – Part 5 of the Constitution Constitution Contract Procedure Rules Corporate Complaints Policy Corporate Training and Development Elected Member Learning & Development Strategy Financial Procedure Rules Health & Safety Gap Analysis/Policy Human Resources Protocols & Management Guidelines Information & Communications Technology Strategy Information Management Strategy Performance Management Framework Record of Decisions Shaping Bridgend's Future Consultation Social Services Representations & Complaints Procedure Strategic Equality Plan Whistleblowing Policy	Audit Committee Annual Improvement Report (WAO) Budget Monitoring Reports to Cabinet & Scrutiny Committees Citizens' Panel Corporate Assessment (WAO) Corporate Safeguarding Policy Corporate Performance Assessment (CPA) Council Tax Leaflet External Audit Forward Work Programme for Committees Freedom of Information Head of Finance – s151 Officer Inspectorate Reports Internal Audit Job Descriptions Job Evaluation Process Law & Governance Member Development and Induction Monitoring Officer Regulatory, Scrutiny & Standards Committees Scheme of Delegation Staff Induction Treasury Management Monitoring Reports

3.1 The six principles of corporate governance (2007 Framework) that underpin the effective governance of all local authority bodies as defined by CIPFA and SOLACE and adopted by the Council are as follows:

- Focusing on the Council's purpose and on outcomes for the community and creating and implementing a vision for the local area; (Putting the Citizen First; Achieving Value for Money).
- Members and officers working together to achieve a common purpose with clearly defined functions and roles; (Knowing Who Does What and Why);
- Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour; (Living Public Service Values);
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk; (Fostering Innovative Delivery);
- Developing the capacity and capability of Members and officers to be effective; (Being a Learning Organisation);
- Engaging with local people and other stakeholders to ensure robust public accountability; (Engaging with Others).

3.2 The Council has identified the following points whilst gathering evidence under each of the principles to gain assurance that governance within the Council is robust. The new 2016 principles are outlined in brackets where it is possible to map these against the historic principles as per the CIPFA guidance 2016.

4. Principle 1 - Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area (CIPFA 2016 - Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits)

4.1 The Council has a clear vision – one Council working together to improve lives. In 2016, the Council developed a new set of corporate priorities and defined clear outcomes for each priority. A new corporate plan for 2016-2020 was created to realise the vision and to deliver outcomes for the local people, taking account of the significant challenges ahead of our communities – not least the increasing demands made on many of our services against the background of forecast reductions in funding from the Welsh Government. The new plan sets out how the Council is to change and what its focus will be over the next four years. The three corporate priorities are as follows:

- Supporting a successful economy
- Helping people to become more self-reliant
- Smarter use of resources

4.2 The Council has reviewed these priorities recently against the requirements of the Well-being of Future Generations (Wales) Act 2015 as well as the requirements of the Local government (Wales) Measure 2009, and decided that these three priorities are its improvement objectives under the Measure and wellbeing objectives under the Act. The reviewed Corporate Plan for 2017-18 has reflected these amendments. It has also embedded the Council's wellbeing state, required by the Act, into the document, and sets out how our priorities link to the seven national wellbeing goals.

4.3 The vision, principles and improvement priorities set out in the Corporate Plan available via this link <http://www1.bridgend.gov.uk/media/414512/reviewed-bcbc-corporate-plan-2016-2020-for-17-18.pdf> give the direction for development of Directorate Business Plans. The Corporate Plan identifies a number of outcome-focused success indicators, some of which are benchmarking

measures. The indicators included in the Plan are aimed at measuring the success of our outcomes and evidence our joined up working with citizens and partners, as well as providing a measure of performance. These are reported to Corporate Performance Assessment (CPA) panel on a regular basis and subject to scrutiny on a bi- annual basis.

- 4.4 Alongside the Corporate Plan, the Council approved a Medium Term Financial Strategy (MTFS) for the period 2016-17 to 2019-20 available via this link <http://parliament/ieListDocuments.aspx?CId=142&MId=2341&Ver=4>. This provides an integrated planning and financial framework for the next four years, including the detailed budget strategy for the next financial year. The annual revenue budget and forward financial planning together with the capital programme enables the Council to align its financial resources with its new priorities. Quarterly budget monitoring reports are submitted to Cabinet and to Scrutiny Committee, with the Corporate Resources and Improvement Scrutiny Committee nominated as the lead Scrutiny Committee.
- 4.5 The Council has a range of projects and programmes in progress to ensure that the improvement priorities are achieved and provides corporate leadership that supports change throughout the Council. The Corporate Programme Management Board (PMB) oversees a number of major initiatives to deliver change:
- School modernisation programme;
 - Remodelling Adult Social Care;
 - Remodelling Childrens Social Services;
 - Successful Economy Programme;
 - Strategic Review of the School Curriculum and Estate;
 - Third Sector Programme;
 - Digital Transformation programme;
 - Rationalising the Estate programme; and
 - Strategic collaboration projects e.g. City Deal.
- 4.6 The Council works collaboratively with a number of partners providing joint services to maximise efficiencies and improve outcomes for the benefit of our citizens. Key collaborations include: Shared Regulatory Service, Central South Consortium, Western Bay, HALO, Awen, Coychurch Crematorium. These partnerships are initially monitored by those elected members appointed by Cabinet/ Council to represent the Council's interests on the outside body. The Overview and Scrutiny Committee also receive reports from Council partners which enable Elected Members to monitor the governance arrangements and the outcomes being delivered.
- 4.7 The Auditor General for Wales (the Auditor General) audited the Council's Improvement Plan for 2016-17, and also one for 2017-18, and for each year certified that the Council had discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- 4.8 The Auditor General also audited the Council's assessment of its performance in 2016-17 in accordance with the Measure and his Code of Audit Practice and certified in November 2016 that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

4.9 Other activities that demonstrate the Council's commitment to Principle 1 - **"Putting the Citizen First"**, included:

- Ongoing use of the Citizens' Panel (a representative group of over 1,500 residents aged 16+) and extensive public consultation and engagement activity undertaken with citizens on various Council services and policies including reduction proposals;
- Delivery of the Council's Communications, Marketing and Engagement Strategy 2016-17
- Highest response by % of residents in Wales to the budget consultation.
- Increased the range of ways citizens can complete surveys ie desktop, tablet or mobile.
- Introduced an email database (in addition to the Citizens' Panel of over 1,500 residents who have requested to be kept up to date on key consultations.
- Citizen engagement and involvement activities to inform Bridgend's Assessment of Wellbeing, and public consultation on the draft assessment developed by the Public Services Board

5. **Principle 2 - Members and Officers working together to achieve a common purpose with clearly defined functions and roles**

5.1 The Council aims to ensure that the roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear. It operates a Leader and Cabinet system within which:

- The Council sets the overall budget and appoints the Leader of the Council;
- The Leader appoints members of the Cabinet and announces the Deputy Leader and the portfolio of Cabinet Members, details of which are published on the website;
- Audit Committee has a clearly defined function providing an independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process. Audit Committee appoints its own Chairperson;
- In total there are five Scrutiny Committees who advise on policy formulation and hold the Cabinet to account in relation to specific matters. They may also review areas of activity which are not the responsibility of the Cabinet or matters of wider local concern;
- Regulatory Committees (e.g. Licencing, Development Control) are in place to determine matters as defined within the Council's Constitution;
- The Cabinet makes decisions within this framework but some decisions are delegated to individuals in the Cabinet, committees of the Cabinet or officers; and
- Clear arrangements are in place to record decisions made by Cabinet Members and officers under delegated powers.

5.2 There is a Standards Committee to promote and maintain high standards of conduct by Town and Community Councillors and County Borough Councillors, lay members, co-opted members and Church and Parent Governor Representatives. In total there are 8 members of the Committee, representing the above.

5.3 The Constitution is at the heart of the Council's business and assigns responsibility within the Council. It also provides a framework that regulates the behaviour of individuals and groups through codes of conduct, protocols and standing orders.

- 5.4 The Constitution is a comprehensive document that is kept under continual review by the Monitoring Officer. It provides a point of reference for individuals and organisations both inside and outside the Council. Its Rules of Procedure govern the overall framework within which the Council operates. Procedural rules and codes of conduct outline how the Constitution will be put into effect. Whilst the Constitution is required by statute its content is not fully prescribed. The Council is satisfied that it is consistent with statute, regulations and guidance. The Corporate Director, Operational and Partnership Services is the Monitoring Officer appointed under Section 5 of the Local Government and Housing Act 1989. The post holder holds overall responsibility for ensuring compliance with the law and his staff work closely with departments to advise on legal matters.
- 5.5 All Committees have clear terms of reference that set out their roles and responsibilities and work programmes. These are reviewed by the committee during the year and updated as required. The Audit Committee, through its work programme, provides assurance to the Council on the effectiveness of the governance arrangements, risk management framework and internal control environment.
- 5.6 The Council's Chief Executive (as Head of Paid Service) leads the Council's officers and chairs the Corporate Management Board. Changes to the management structure were proposed by the Chief Executive (following the post of the Corporate Director – Resources becoming vacant) and were agreed by Council in April 2016.
- 5.7 Since the deletion of the post of Corporate Director, the Head of Finance has been nominated as the Council's Section 151 Officer, as required by the 1972 Local Government Act, and carries overall responsibility for ensuring that the Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). The corporate finance function provides a range of support to departments and determines the budget preparation and financial monitoring process. Whilst not a Corporate Director, the Section 151 Officer is a member of the Corporate Management Board on the same basis as other members.
- 5.8 The Corporate Director – Social Services and Wellbeing is statutory Director for Social Services, as defined by the Local Authority Social Services Act 1970, which outlines the six core responsibilities across all the Social Services functions, including ensuring that the Council has proper safeguards to protect vulnerable children and adults. Following changes made in December 2014, the Corporate Director – Social Services and Wellbeing now holds line management responsibility for the social care functions for children and adults. This has enabled the new ways of working laid down by the Social Services and Wellbeing (Wales) Act 2014 to be embedded within the service. The CSSIW report of 2014-15, published in October 2015, recognises that these changes have created additional leadership capacity to meet the challenges ahead within social services.
- 5.9 The role of the Assistant Chief Executive was changed at Council in April 2016 to that of Corporate Director of Operational and Partnerships Services, acknowledging the scale and complexity of an increased portfolio of services.
- 5.10 The Corporate Director – Education and Family Support (formerly Corporate Director – Education and Transformation, until April 2016) is the Chief Education Officer, as prescribed by

the Education Act 1996 and statutory Director for Children and Young People, as defined by the Children Act 2004. The incumbent post holder has taken a secondment to Welsh Government and an interim Head of Service was engaged in April 2017 to cover this role for the duration of the secondment.

- 5.11 The Council's Workforce Plan aims to identify critical workforce issues and provide a structured and co-ordinated approach to building the capacity and capability of our workforce. Updated annually by Human Resources (HR) in consultation with Business Managers, the plan incorporates an action plan of HR and Organisational Development (OD) Action Plan and is approved by the Corporate Management Board.
- 5.12 Corporate training and development opportunities are provided for priority areas either through targeted face to face training and e-learning, which employees can access through a learning management system. Specialist training is also provided and co-ordinated by service areas, which includes training to meet new legislative requirements.
- 5.13 Training needs are identified through the employee appraisal process where managers are able to identify with employees their development needs. A Core Training Framework is available providing details of corporate training available to assist this process.
- 5.14 Job descriptions are available which set out the job purpose and summarise main responsibilities and activities of the role. These are reviewed as part of the appraisal process. Appraisals take place between January and June each year and actions and targets are linked to service priorities reflected in annual business plans.
- 5.15 Terms and conditions of employment are set out for all employees via their Written Statement of Particulars of Employment. These comprise national terms and conditions of employment and those negotiated on a local basis, e.g. the Council's Pay and Grading Scheme
- 5.16 HR policies protocols and managers' guidelines are available and are reviewed to ensure they are compliant with employment legislation, best practice and meet organisational needs. These are developed in consultation with legal colleagues and Trade Union representatives. The key policies are approved by Cabinet.
- 5.17 Health and wellbeing support is available for employees through the Care First counselling and employee assistance scheme which provides 24/7 access to counselling and advice on a broad range of workplace and personal matters, as well as a programme to help improve employees' health and wellbeing.
- 5.18 The Council's Performance Management Framework, revised and adopted by Cabinet in June 2014, continues to guide the Council's integrated Corporate, business and financial planning and performance management processes and practice. The Framework is structured around the 'Plan, Do, Review, Revise' model. It clearly defines the Council's processes and procedures for performance management at each stage, including monitoring and performance data. It establishes the roles and responsibilities of members, managers and staff through the cycle. It shows the relationship between process and plans at Corporate, Directorate and Service level, linking to individual appraisals. It includes expectations around the style and behaviour of managers to support the further evolution of a strong culture of self-assessment.

- 5.19 During 2016-17, the Council strengthened the Corporate Management Board (CMB) challenge on Performance Management, to complement the Corporate Performance Assessment (CPA). This structured challenge further developed the use of Performance Indicators linked to service improvement and extended the opportunities for more detailed discussion of performance issues. The Performance Management system has been further developed to reflect these changes and continues to provide timely, consistent management information for managing service improvement and decision making.
- 5.20 In his Corporate Assessment report, published in January 2016, the Auditor General noted that the Council has clarified roles and responsibilities and established effective arrangements for holding people to account. He also found that Cabinet members and the CMB were working closely together to develop the options for the future role of the Council and to identify new opportunities for engaging with local communities.
- 6. Principle 3 - Promoting Values for the Council and Demonstrating the Values of Good Governance through upholding High Standards of Conduct and Behaviour (CIPFA 2016 - Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law)**
- 6.1 There is a clear vision for the Council, that is, always to act as ‘One Council working together to improve lives’. The Council recognises that it will become a smaller, more flexible and innovative authority that works with partners and local communities to create a future in which residents have access to a more responsive and tailored service. It will also mean that residents take greater responsibility for making that happen, both for their own sake and for that of the community as a whole. These values are set out in the Council’s Corporate Plan.
- 6.2 In developing its new Corporate Plan for 2016-2020, the Council identified a new set of principles. These have been developed to help steer the Council to become the sort of organisation that it needs to be in order to meet new challenges.
- 6.3 The Council is committed to the sustainable development principle and the five ways of working provided by the Well-being of Future Generations (Wales) Act 2015. The Council appointed a Cabinet Member for Well-being and Future Generations to lead the implementation of the Act. The Council has integrated well-being planning into its corporate and business planning process. The Council is reviewing its Performance Management Framework to ensure the sustainable development principle and the five ways of working underpin everything it does: plan-do-review-revise.
- 6.4 The behaviour of elected members and officers is governed by codes of conduct. Elected members are provided with training in accordance with the Elected Member Learning and Development Strategy which is approved by Council and co-ordinated by Democratic Services. Topics include code of conduct, declarations of interest and other subjects which clarify the behaviours of elected members. Some training particularly relating to regulatory functions have been identified as mandatory to ensure that Elected Members have a full understanding of their role before they make key decisions. Democratic Services also monitors training, provides reminders and maintain documents and publish a variety of documents and registers including the register of Gifts and Hospitality for Elected Members and Officers.

- 6.5 The Council takes fraud, corruption and maladministration very seriously and has the following procedures and policies, which aim to prevent or deal with such occurrences;
- Anti-Fraud and Bribery Policy
 - Whistleblowing Policy
 - Anti-Money Laundering Policy
 - HR policies regarding the disciplining of staff involved in such incidents
 - Corporate Complaints Policy
 - Social Services Representations & Complaints Procedure
 - Financial Procedure Rules
 - Contract Procedure Rules
- 6.6 Conduct of Members is monitored by the Public Services Ombudsman for Wales and the standards reflect Welsh Government Public Service Values. The Council's Standards Committee also considers any reports submitted by the Ombudsman and the Monitoring Officer and any representations received relating to alleged breaches of the Code of Conduct. There has not been a referral to the Standards Committee in respect of a Council member for many years and the Monitoring Officer has utilised the internal informal protocol approved by the Public Services Ombudsman for Wales successfully.
- 6.7 The Audit Committee helps raise the profile of internal control and risk management within the Council. This enhances public trust and confidence in the financial governance of the Council.
- 6.8 The Council has a protocol for the use of Social Media. <http://www1.bridgend.gov.uk/media-centre/terms-and-conditions/social-media-policy.aspx>. The aim of this is to be clear about how the Council will engage with users and manage expectations.
- 7. Principle 4 - Taking Informed and Transparent Decisions which are subject to effective scrutiny and Managing Risk (CIPFA 2016 - Principle F – Managing risks and performance through robust internal control and strong public financial management)**
- 7.1 The Council's Constitution sets out how the Council operates and the process for policy and decision-making. Within this framework, key decisions are made by the Cabinet. All Cabinet meetings are open to the public (except on the limited occasions where items are exempt or confidential).
- 7.2 All decisions made by the Cabinet are taken on the basis of written reports, including assessments of the legal, financial, and equalities implications. Consultation (including with ward members when appropriate) is a routine part of the process.
- 7.3 The decision-making process is monitored by five Overview and Scrutiny Committees, which support the work of the Council as a whole. The Council's constitution provides for the Chairs of these committees to be appointed based on the political balance of the elected members that form the Council. The members of a Scrutiny Committee can "call in" a decision that has been made by the Cabinet but not yet implemented. They may recommend that the Cabinet reconsider the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and on the development of policy.

- 7.4 Other decisions are made by Cabinet Members individually or by officers under delegated powers. The authority to make day-to-day operational decisions is detailed within the Schemes of Delegation.
- 7.5 Policies and procedures that assist the governance of Council's operations include Financial Procedure Rules (FPRs); Contract Procedure Rules (CPRs); the Grants Policy and the Corporate Risk Management Policy. All managers have responsibility to ensure compliance with these policies.
- 7.6 The Council has adopted a category management approach to procurement. This is a strategic approach where our procurement resources are organised to focus on specific areas of spends. This enables category specialists to focus their time and conduct in depth market analysis to fully leverage procurement decisions on behalf of the Council as a whole. The results can be significantly greater than traditional transactional based purchasing methods. The corporate procurement unit also utilises and promotes collaborative frameworks, particularly the National Procurement Services (NPS).
- 7.7 The Council's Performance Management Framework describes the 'Golden Thread' for planning which links the Council's vision of "One Council working together to improve lives" through services delivered at the frontline of the Council and how external factors influence the vision. The external factors include national priorities from both Welsh and UK Government and local priorities from Citizens, Partners, and the Public Services Board that is currently preparing its Wellbeing Plan and objectives that will influence/ and be influenced by the Council's priorities in the future. The vision and priorities set out in the Corporate Plan have a direct relationship with Directorate business plans, service delivery plans, group delivery plans and individuals' objectives within staff appraisals.
- 7.8 The Corporate Performance Assessment (CPA) is undertaken on a quarterly basis and is attended by Cabinet Members, Corporate Management Board, and Heads of Service. The purpose of the CPA is as follows:
- Obtain a holistic view of the Council's performance;
 - Identify and explore cross-cutting issues;
 - Critically challenge areas of poor performance; and
 - Identify service improvement opportunities, risks to delivery and resource implications.
- 7.9 Specifically, the CPA monitors:
- The financial position by Directorate;
 - The Council's improvement priorities as defined by the Corporate Plan;
 - Service actions that are linked to Directorate priorities as defined by the Corporate Plan;
 - Key indicators/measures, through four perspectives that are linked to Directorate priorities in line with the Corporate Plan and at Service level for monitoring key operational performance; and
 - Corporate risks.
- 7.10 When necessary, the CPA may also, by way of exception, monitor progress against relevant national and collaborative initiatives.
- 7.11 During the latter part of 2015, Cabinet and CMB reviewed the current CPA process and agreed that for 2016-17, the CPA would cover a broader range of measures to assess performance

both of the Corporate Plan and at Service level in relation to business as usual activities. It was agreed that outcomes would be measured through four perspectives, concentrating on performance indicators that supported tangible outcomes. The indicators would measure value for money, service user outcomes, internal processes and organisational capacity. Indicators are monitored at the Head of Service level for there to be greater accountability across the organisation and a balanced scorecard approach is used in monitoring performance for 2016-17 onwards. CPA undertaken during 2016-17 reflected the new process, with work ongoing during the year to strengthen the suite of indicators used to challenge performance at Head of Service and Corporate Director Level.

- 7.12 The Council has developed a robust approach to the management of risk. The Corporate Risk Management Policy is aligned with Directorate Business Plans and the Council's performance management framework. All risks identified are assessed against the corporate criteria.
- 7.13 Risks are viewed from both a Service and Council-wide perspective which allows the key risks to be distilled in the Corporate Risk Register. Key corporate risks are monitored at the highest level within the Council, including Cabinet, Senior Management Team, Programme Management Board, CPA Overview and Scrutiny Committees and Audit Committee. The Council's approach ensures that key risks are considered when determining Council priorities, targets and objectives and are incorporated in Directorates' Business Plans. The main risks facing the Council that were identified during 2016-17 are set out in the Council's Corporate Risk Register which can be accessed <http://www.bridgend.gov.uk/media/393300/risk-register-2016-17.pdf>
- 7.14 In April 2015 Senior Management Team (SMT) received a report on Health and Safety gap analysis. It was decided that the risk should be escalated to the Corporate Risk Register. The risk describes the Council's duties and identifies that there are areas where there can be improvement in some health and safety arrangements.
- 7.15 The financial management of the Council is conducted in accordance with all relevant legislation and the Constitution. In particular, the Financial Procedure Rules and Contract Procedure Rules and the scheme of delegation provide the framework for financial control. The Section 151 Officer has responsibility for establishing a clear framework for the management of the Council's financial affairs and for ensuring that arrangements are made for their proper administration. As part of its performance management framework, the Council links the strategic planning process with the budget process and ensures alignment between them, facilitating the allocation of resources to corporate priorities. Chief Officers are responsible for financial management within their respective services. CMB regularly monitor the overall budgetary position and achievement of specific budget reductions and quarterly budget monitoring reports are produced for Cabinet and Scrutiny Committee. This work informs the production of the statutory annual Statement of Accounts.
- 7.16 The Council is committed to demonstrating due regard to the Equality Act 2010 and the Public Sector Equality Duty. It published its Strategic Equality Plan 2016-2020 on 1 April 2016. The plan outlines the Council's approach to ensuring equality of opportunity for customers, citizens, residents and visitors and seeks to ensure that Bridgend County Borough is a fair and welcoming place to be. The plan has been written based on what we know about our services and on the views and needs of Bridgend County Borough citizens and the people who use

them. The Council has a duty to publish Strategic Equality Plan annual reports with the most recent going to Cabinet Equalities Committee in March 2017. The annual reports review and reflect on previous work and outline progress made by the Council on each of its equality objectives and themes. Heads of Service and Senior Service Managers are responsible for ensuring the actions in the Strategic Equality Action Plan are achieved. Updates are provided to the Cabinet Equalities Committee and to the Bridgend Equality Forum. Committee and Council reports requiring a policy decision are supported by equality impact assessments.

- 8. Principle 5 - Developing the Capacity and Capability of Members and Officers to be Effective (CIPFA2016 - Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it)**
- 8.1 The Council aims to ensure that members and officers of the Council have the skills, knowledge and capacity they need to discharge their responsibilities as outlined in their job/role descriptions. New members and staff are provided with an induction to familiarise them with protocols, procedures, values and aims of the Council.
- 8.2 Organisational structures in respect of Member responsibility and Directorate portfolios are contained within the constitution and are available on the Council's website. Members also have agreed role descriptions.
- 8.3 There is an Elected Member Learning & Development Strategy 2012-17, which provides a framework for supporting elected members in the roles that they are required to undertake both within, and outside, the Council. The Strategy assists members to develop and strengthen their ability to be confident and effective political and community leaders.
- 8.4 Modern.Gov the Committee Administrative system is used to automate many of the administrative duties in respect of elected members and the formal decision making process. The system aids decision making, enables the tracking of actions and monitoring of decisions and provides a web-based decision register.
- 8.5 The Council takes a pragmatic approach to delegation of powers for decision making enabling lower level decisions to be subject to 'calling to account' but not 'call in' by scrutiny. The scheme is reviewed in detail regularly, updated to reflect any changes in legislation and following changes to the corporate structure and is published to the intranet. The Authority is informed of any changes that have been made using Bridgend's messages. Delegated powers and limits are clearly set out as are the use of sub delegations enabling effective and timely decision making.
- 8.6 The Auditor General's corporate assessment found that the Council's elected Members benefitted from a range of opportunities that equipped them with the skills they needed to discharge their roles effectively.
- 8.7 The Member Development Programme is regularly reviewed to ensure that any training activities are appropriate, relevant and timely. Webcasting Training has been delivered to elected Members and to Officers. A provider has been sourced and webcasting of Council and Committee meetings has become a performance indicator requiring at least 10 meetings to be webcast until 2018.

- 8.8 In 2016-17 a cross party group of 3 Elected Members participated in the Leadership academy co-ordinated by the Welsh Local Government Agency (WLGA) consisting of 3 modules including Leading through relationships, Leading Innovation and Change and Community Leadership. The Academy also supported the personal development of these Members and promoted collaborative working across Wales.
- 9. Principle 6 - Engaging with local people and other stakeholders to ensure robust public accountability (CIPFA 2016 - Principle B – Ensuring openness and comprehensive stakeholder engagement)**
- 9.1 The Council is committed to understanding and learning from the views of the public and using their feedback to help shape services and policies. There is a consultation and engagement toolkit in place to help managers to ensure consultation activities are robust as well as following legal guidance (Gunning's principles) and Participation Cymru's National Principles for Public Engagement in Wales that have been adopted by the Council. The planning and decision-making processes are designed to include consultation with stakeholders. The Communications, Marketing and Engagement Strategy provides a framework for engagement activities, which are undertaken by the Council.
- 9.2 The Welsh Language (Wales) Measure was introduced by Welsh Government in March 2010 and a compliance notice was served on the Council on 30 September 2015. The Council has made significant steps in its use of the Welsh Language to give Welsh speakers improved, enforceable rights in relation to the Welsh Language and has implemented a number of the standards. The Council is negotiating with the Welsh Language Commissioner in relation to implementing the remaining standards.
- 9.3 The Council has a Citizens' Panel made up of over 1,500 residents aged 16 or over from across the county borough. Its panel members agree to take part in three or four surveys a year about a range of issues relating to Council services and policies. This has helped to understand residents' opinions about the services the Council provides and to help improve things in the future. The panel is currently representative of residents aged 25 and over. The consultation team has key performance indicators in place to increase representation of 16-24 year olds, Welsh speakers and disabled residents, as well as indicators to increase representation across each ward to a minimum 1 per cent.
- 9.4 During 2016-17, the Council consulted on a wide range of issues including the following (this list is not exhaustive):
- Shaping Bridgend's Future;
 - Understanding demand for Welsh language education
 - Bridgend Town Centre access survey
 - Household waste: additional allowance scheme
 - Digital transformation
- 9.5 The Shaping Bridgend's Future consultation included 15 community engagement events/stands throughout the county borough, and, an online survey which captured the views of the public on how to achieve the necessary budget savings.

- 9.6 Social media is used to promote services and engage with the public, Regular Q&A sessions/debates are held as part of consultation exercises to capture citizen's feedback. This has been successfully implemented as part of the "household waste and recycling review" and the "Shaping Bridgend's Future" consultations.
- 9.7 Increasingly, surveys are being made available on desktop, tablet and mobile to increase the likelihood of residents responding. The consultation team has also created a database of over 1,500 residents who are interested in receiving HTML emails regarding key consultations happening in the county borough.
- 9.8 Citizens' Panel members and residents who opt to receive key consultation updates are sent engagement details on projects that may be of interest to them. Using the database has seen a 68% improvement in response rate for the PSB survey (online consultation on the Wellbeing Assessment) in 2017. Bridgend Business Forum members, the youth Council and the Bridgend Equality Forum are all invited to share their views (when relevant) to improve representation.
- 9.9 There is regular communication with staff through managerial arrangements which is supplemented by
- Bridgenders
 - Bridgenders Bulletin
 - Chief Executive updates to employees
 - Senior Management workshops

Trade Union meetings are held regularly with the Head of HR and representative Cabinet members.

- 9.10 The Corporate Plan is published on the Council's website, is communicated widely to staff and approved by Members, through the normal democratic process. Performance data is also published on the Web, to support the Council's achievements in delivering its improvements for the year. The Annual report is published on the website and like the Corporate Plan and performance data is agreed by elected members at Cabinet and Council on an Annual Basis. Notifications for the Corporate Plan and the Annual Report are published on the website and the local gazette on annually. The Annual Report is also available in key public buildings around the Borough for citizens to read.
- 9.11 The Council operates both a Corporate Complaints Procedure and a Social Services Representations & Complaints Procedure and uses this to identify areas where service quality is not satisfactory, and to take action to improve. Complaints can be made electronically, in writing and for Social Services complaints can also be made verbally. The Council has set target times for responding to all complaints received to ensure accountability. The operation of the Complaints Policy is reported annually to full Council as it provides an opportunity for improvement in service delivery. Social Services also produce an Annual Report on their complaints which is reported to Cabinet.
- 9.12 There is a Corporate Safeguarding policy which includes details of Safeguarding in Employment.

- 9.13 The Recruitment and Selection Protocol and Managers' Guidelines detail the pre-employment vetting which involves establishing full employment histories; proof of identity; satisfactory references; health assessment; checks of qualifications; asylum and immigration checks; and criminal record checks with the Disclosure and Barring Service.
- 9.14 The Disclosure & Barring Service Policy applies to employees, volunteers, work placements and elected members. In addition, foster carers and prospective adoptive parents, student placements, licencing and school transport arrangements and any other regulated positions also come under the provisions of this policy. Additionally it applies to those directly employed by governing bodies.
- 9.15 The Council makes a large amount of information available to its citizens in an open and friendly way. Information can be obtained through the Council website and many other publications. Under the Freedom of Information Act, the Council is required to increase access to the information it holds, and part of the Act requires the provision of a Publication Scheme. The Scheme has been approved by the Information Commissioner's Office who is responsible for ensuring compliance with the legislation. The Scheme provides a guide to the information routinely made available to the public. Not all the information the Council publishes is detailed in the publication scheme. Information that is not published can be requested by making a FOI request. The Council considers all requests under the provisions of the legislation and adheres to the requirement to respond within 20 working days.
- 9.16 All Council meetings are open to the public except where personal or confidential matters are discussed. All public agendas, reports and minutes are available on the Council's website. Work Programmes with agreed timescales for report, submission, approval by Legal and Finance, publication and distribution aid decision making at a strategic level. This ensures a corporate check on the impact of decisions and also probity both in legal and financial authorisations. The Council also implemented a webcasting facility in early 2016, which provides live streaming and an archive facility. The number of webcast viewers is monitored and the results are reported to the Democratic Services Committee. Officers and members work together to identify those meetings which are considered to be of key public interest and suitable for webcasting. Members of the public and 'expert' witnesses can participate by speaking at Overview and Scrutiny Committees similar to arrangements already in place for Development Control Committee.
- 9.17 The Well-being of Future Generations (Wales) 2015 Act (the Act) gained royal assent on 29 April 2015. The Act establishes Public Services Boards in each local authority, which replaced Local Service Boards from 1 April 2016. The Council is one of the four statutory members of Bridgend Public Services Board (PSB). The Board also includes 'Invited Participants'. The work of the PSB can be found at Public Services Board - Bridgend County Borough Council: <http://www.bridgend.gov.uk/services/public-services-board.aspx>.
- 9.18 The main focus of the PSB in 2016-17 has been the statutory requirement to publish an Assessment of Local Wellbeing by April 2017. The Assessment will inform the wellbeing objectives to be included in the Wellbeing Plan which will be published by May 2018. The PSB is also responsible for implementing Bridgend County Together, the Single Integrated Partnership Plan for Bridgend, until it is replaced by the Wellbeing Plan. The PSB is taking a project approach to delivering its identified priorities. During the year the PSB also agreed its

Terms of reference and developed its governance arrangements, including embedding in Scrutiny arrangements.

9.19 In the Medium Term Financial Strategy 2016-17 to 2019-20, over 10% of budget reductions identified over the 4 year period were identified as coming from collaboration and service transformation. Council have agreed that collaboration should focus on projects which have the potential to generate the greatest benefit, make a clear contribution to the Council's corporate priorities and result in a clear service benefit. In the recently published White Paper 'Reforming Local Government: Resilient and Renewed' the Welsh Government sets out its proposals for mandatory and systematic regional working to offer an opportunity to strengthen, regularise and simplify the existing arrangements between Local Authorities. Services that could be affected include transport, land use planning and building control, social services, education and public protection. Whilst the authority is already operating collaboratively in a number of these areas of service, there are still areas where joint working can be progressed.

10. Review of Effectiveness

10.1 The Council has responsibility for annually reviewing the effectiveness of its governance framework, including the system of internal control. This is informed by the work of Internal Audit and chief officers within the Council who have responsibility for the development and maintenance of the internal control environment. The Council also draws assurance on its governance arrangements from independent sources and in particular Internal Audit, External Audit and other external regulators.

10.2 The following elements are key to the Council in monitoring and reviewing its governance:

- The Constitution, which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. It also includes the Codes of Conduct for both members and employees.
- The Cabinet (as Executive) who are responsible for considering overall financial and performance management and receive comprehensive reports on a regular basis. The Cabinet is also responsible for key decisions and for initiating corrective action in relation to risk and internal control issues.
- The Scrutiny function which holds the Cabinet to account. The Corporate Resources and Improvement Overview and Scrutiny Committee is responsible for maintaining an overview of financial performance including value for money. The Partnerships and Governance Overview and Scrutiny Committee maintain an overview of cross-cutting matters. In the Committee's Terms of Reference it has a responsibility "to consider the Council's policies and strategies in relation to collaborative and partnership working arrangements". The Committee Chairpersons liaise with each other to ensure the effective scrutiny of collaborative collaboration topics to ensure that work programmes are co-ordinated to prevent duplication.
- The Audit Committee which provides the focus for reviewing the effectiveness of the system of internal control. Much of this work is based upon reviewing the work of Internal Audit and receiving reports from the Council's external auditors. The Committee met regularly throughout the year and provided independent assurance to the Council in relation to the

effectiveness of the risk management framework, internal control environment and governance matters.

10.3 Additional requirements of the Local Government (Wales) Measure 2011 included:

- the election of the Chairperson of the Audit Committee by the Audit Committee itself rather than by an appointment by Council;
- the requirement that Audit Committee must have at least one lay-member, a professional representative with no connections to the Council that is able to assist in the role of the Audit Committee. The number of lay-members required to support the committee is being kept under review;
- the appointment of a Head of Democratic Services

10.4 A comprehensive Member Development Programme has been provided to ensure that all members (including the Lay and Co-opted Members) have the opportunity to gain a comprehensive understanding of their role as described in the Elected Member Role Descriptions approved by Council. All Elected Members were offered training on Treasury Management to assist them in scrutinising the Annual Treasury Management Strategy of the Council. The effectiveness of member training has been recognised by Estyn which noted that training provided to elected members increased their understanding and ability to interrogate data to enable them to challenge performance particularly regarding school performance data.

10.5 Members have a key role to play in safeguarding children and adults at risk. Members have been able to access training to further their understanding of their responsibilities in relation to safeguarding children and adults. The training which took place over several dates between October and December 2016 considered safeguarding within the context of the Social Services & Wellbeing (Wales) Act 2014.

10.6 The Council has adopted the WLGA model of role descriptions for all committee Member and Chairpersons including the Audit Committee. These have been adapted to reflect the specific roles undertaken in the Council which enables members to better understand their role and identify any further support or training that they require to effectively carry out their duties. This will increase the ability of Audit Committee members to analyse, monitor and challenge the effective performance of the Council.

10.7 The Cabinet and Scrutiny Committee functions provide a further mechanism for review and challenge of any issues that may impact upon the system of internal control. Scrutiny Committees establish Research and Evaluation panels (including to the review of budget proposals); they undertake reviews of specific areas of Council operations and make recommendations to Cabinet for improvement.

10.8 Internal Audit also provides independent and objective assurance. It undertakes a continuous audit of Council services that are assessed and prioritised according to relative risk. This risk assessment draws upon the corporate and service risks identified as part of the Service planning process. During 2016-17, in carrying out its duties, Internal Audit worked to the Public Sector Internal Audit Standards (PSIAS). The PSIAS is applicable to all areas of the United Kingdom public sector and is based on the Chartered Institute of Internal Auditor's (CIIA's) International Professional Practices Framework. In accordance with the Public Sector Internal Standards the Internal Audit Shared Service underwent an external assessment,

which has been agreed by the Council's Audit Committee. Following a procurement exercise, CIPFA were commissioned to undertake the assessment which commenced at the end of January 2017 and concluded in February 2017. The outcome of the assessment was reported to the Council's Audit Committee on 27 April, which indicated that the assessment identified no areas of non-compliance with the standards that would affect the overall scope or operation of the internal audit activity. A number of recommendations have been made and whilst a number have already been actioned, the Council's Audit Committee will retain oversight of the implementation process to ensure that all recommendations are addressed.

- 10.9 Internal Audit completed a programme of reviews in accordance with the Annual Audit Plan for 2016-17. As part of the normal audit reporting process recommendations were made and agreed with the relevant chief officers to address any issues that could impact upon the system of internal control. In addition, Internal Audit undertakes fraud investigation and is proactive in fraud detection work. This includes reviewing the control environment in areas where fraud or irregularity has occurred. Any significant weaknesses in the control environment identified by Internal Audit are reported to senior management, the Audit Committee and Cabinet as appropriate.
- 10.10 The internal audit arrangement enables the Chief Internal Auditor to provide an opinion on the internal control, risk management and governance arrangements. The Head of Internal Audit has found that the Council is committed to the principles of good governance and as a result has adopted a formal Code of Corporate Governance (COCG) for the last six years, and that the Council's financial management arrangements was conforming to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). On the basis of the audit work and taking into account all available evidence, the Head of Internal Audit has concluded that "the Council's framework of governance, risk management and control is considered to be satisfactory" and that "there are no significant cross cutting internal control weaknesses identified so far this year which would impact on the Council's Annual Governance Statement."
- 10.11 The Council is subject to an annual programme of independent external audits and statutory inspections which report on the Council's governance, performance and accounting arrangements. During 2015-16 the Council was subject to two significant pieces of assessment work both of which were undertaken on behalf of the Auditor General, the Financial Resilience Assessment and the Corporate Assessment and followed up by the Wales Audit Office in 2016-17
- 10.12 Following on from the WAO proposals for improvement, the production and focus of the Annual Report was reviewed for 2015-16 making it more outcome focused and easier for citizens to understand the improvements the Council made in line with the improvements set out in the Corporate Plan. The effectiveness of the improved Annual Report 2015-16 is yet to be assessed by the WAO.
- 10.13 The Financial Resilience Assessment was undertaken during June to September 2016 and focused on delivery of the 2015-16 savings plans, the quality of its medium term financial plans and the robustness of its 2016-17 savings plans. The auditors also followed up their 2015-16 work to determine what the Council did as a consequence of what it learnt and how it had responded to the proposals for improvement in relation to financial planning. The auditors

sampled some of the savings proposals for 2016-17 and looked at the underlying assumptions, and whether there are adequate mechanisms to ensure they can be delivered in the planned timescale. In the review they found that the Council has strengthened its arrangements for reporting on the use of reserves but its approach to developing savings plans weakens arrangements. Over half of the savings plans are insufficiently well developed when setting the annual budget to ensure delivery in planned timescales and indicative savings plans for future years lack detail.

10.14 Overall the assessment concluded that “Whilst the Council has a sound financial planning framework underdeveloped savings plans may not fully support future financial resilience”. They made one proposal for improvement:

- That the Council strengthen financial planning arrangements by:
 - ensuring that savings proposals are fully developed and include realistic delivery timescales prior to inclusion in the annual budget; and
 - identifying indicative savings proposals over the period of the MTFS.

10.15 The Auditor General undertook a Corporate Assessment of the Council in 2015-16. The purpose of the assessment was to provide a position statement on the Council’s capacity and capability to deliver continuous improvement. The focus of the assessment was on the extent to which arrangements are helping to improve service performance and outcomes for citizens.

10.16 The assessment considered the Council’s track record of performance and outcomes as well as examining the key arrangements necessary to underpin improvements in services and functions. The auditors interviewed, met with, observed, and conducted online surveys of elected members, senior officers and frontline staff, both individually and collectively.

10.17 The outcome of the assessment was very positive. The Auditor General’s overall conclusion is that *“the Council is developing appropriate plans for the future and subject to aligning ICT and human resource functions with the transformation programme, is well placed to secure improvement”*.

10.18 Since the conclusions of the Auditor General, the ICT Service has been developed to support the Council’s transformation agenda. An ICT Strategy has been developed and approved by Cabinet. The digital transformation is a key project to enable change as part of the Council’s transformation programme and training and development opportunities have been put in place to help address recruitment and retention issues within the ICT service.

10.19 The HR service has been further developed, specifically workforce planning so that they support the Council’s transformation agenda and ensure workforce considerations are embedded in service business planning.

10.20 The Council has also addressed the areas where improvement was identified by the Corporate Assessment, including the way in which its performance is evaluated and presented, evidenced by its annual report for 2015-16, performance report to Scrutiny Committees and the Council’s Corporate Plan and Directorate Business Plans for 2017-18. The WAO was undertaking a follow-up audit to ensure progress while this statement was prepared.

- 10.21 The Council has strong mechanisms in place to engage with citizens and partners to ensure there is transparency and public accountability. This includes for example in March 2017 a leaflet regarding the changes in household waste collection being enclosed with the annual Council tax bill to all households paying Council tax. The development of the Council's social media presence has extended the Council's communication, consultation and engagement mechanisms. Public interaction on our social media accounts including Q & A sessions with CMB, have increased public engagement which has directly informed our FAQs relating to the changes in provision of services to our citizens.
- 10.22 In 2016-17 the Auditor General undertook a Governance thematic review. The purpose of the review was to "provide assurance that Councils' governance arrangements are well-placed to respond to future challenges, as well as identify opportunities to strengthen arrangements and approaches". The review would also "provide insight and promote improvement through assessment of each of the 22 Councils' governance arrangements in relation to service change, taking into account the revised CIPFA framework, the Public Sector Equality Duty and the Future Generations (Wales) Act". The focus of the review was on Councils' governance arrangements for determining service changes.
- 10.23 The Auditor General concluded in his report, issued in May 2017, that "the Council has clear priorities that shape its decisions on significant service change and it seeks to learn and improve its arrangements, but there is scope to improve the accessibility of some information". The Auditor General made three proposals for improvement:
- The Council should improve the availability and accessibility of information relating to decision-making on significant service change, including, for example, publishing a Forward Work Programme(s) that covers Cabinet and Council business.
 - The Council should resolve how it will embed the sustainable development principle into decision-making
 - The Council should clearly set out how the impact of service changes will be monitored at the point of decision.
- The Council is considering these proposals and strive to improve in these areas.
- 10.24 The Public Services Ombudsman for Wales reports on each Council in Wales the number of complaints received and investigated. In July 2016 the Council received its Annual Letter for 2015-16. The letter noted an increase in the number of complaints received, 38 in 2015-16 compared to 33 in 2014-15. The comparative figure for the local authority average was 41 for 2015-16 (42 for 2014-15). One investigation was commenced by the Ombudsman in 2015-16. The Annual Letter noted that Planning and Building Control remain the biggest single area of complaints, followed by Road and Transport and Children's Services which both saw a 60% increase from last year. No "upheld" reports were issued and only one Quick Fix or Voluntary Settlement outcome recorded during the year.
- 10.25 Social Services is a regulated service area and there is an annual programme of inspection carried out by the Care and Social Services Inspectorate in Wales (CSSIW). In addition, the Director and Heads of Service have quarterly performance review meetings with CSSIW which ensure regulatory requirements are met and that significant service developments, challenges, workforce, performance and consultation activity is discussed. During 2016-17, the CSSIW completed a review of adult safeguarding and a review of carers. The verbal feedback following these reviews was positive.

- 10.26 There was an inspection of children's social care during January/February 2017. The inspection focussed on how children and families are empowered to access help and care and support services and on the quality of outcomes achieved for children in need of help, care and support and/or protection, including children who have recently become looked after by the local authority. The inspection also evaluated the quality of leadership, management and governance arrangements in place to develop and support service delivery. Formal feedback from this is still awaited and an action plan to progress the recommendations will be developed; it is planned that this will report into Scrutiny in July 2017. The relevant actions arising out of this inspection will be included in the Director of Social Services Annual Report 2016-17 which is in the process of being finalised.
- 10.27 The regulated service areas are also subject to an annual inspection and this includes the 4 older people residential care homes, the supported living environments, the three Children's Homes and the Fostering service.
- 10.28 The Statutory Director of Social Services annual report 2015-16 was submitted to CSSIW. It confirmed that the key priorities for the Directorate during 2015-16 were to progress the objectives of the Directorate Business Plan and also contribute to the new corporate priorities for 2016-17; to contribute to the Medium Term Financial Strategy (MTFS); to implement the new Social Services and Wellbeing (Wales) Act 2014 (SSWBA) and also implement the new Welsh Community Care Information System (WCCIS) – making Bridgend the first local authority in Wales to do so.
- 10.29 CSSIW confirmed in their subsequent performance review meeting with the Director and the two Heads of Service that they were satisfied that the annual report reflected the work undertaken in key areas including our achievements and future plans for the Directorate.
- 10.30 The remodelling Adult Social Care Board remains. The key transformation programme continues to be the central foundation for strengthening the remodelling workstreams and leads the prevention and wellbeing agenda across Bridgend, and regionally across the Western Bay Health and Social Care Collaboration. Key areas for remodelling in adult social services include the embedding of the new ways of working as laid down by the Social Services and Wellbeing (Wales) Act, for example the provision of information, advice and assistance. Progress has also been made towards the implementation of the extra care model, the remodelling of Home Care, Learning Disability and Mental health services as well as the continued development of the common access point based at Trem y Mor.
- 10.31 The budget approved for 2016-17 included savings proposals of £7.477 million (3.55% of net service budgets). However, as at quarter 3, £1.845 million of these proposals are at risk of not being realised, but the expenditure associated with them has in some instances been offset by vacancy management and other savings elsewhere within the budget. The impact of this is that there is still a recurrent pressure on 2017-18 budgets which will need to be addressed by implementing the proposals or identifying and delivering alternatives. Future monitoring reports will review achievement against these targets in addition to current year budget reductions.

11. Significant Governance Issues

- 11.1 Across the whole of the United Kingdom, local councils are facing unprecedented challenges following reduced Government funding and increased demands on essential services. Between 2016-17 and 2019-20, the Council is expecting to have to make budget reductions of £35.5 million. Budget cuts of this scale present a significant challenge that will require the Council to make many difficult decisions about which services can be maintained and which cannot. It will mean that “business as usual”, however well managed, will not be enough. The challenge will be to consider alternative delivery models for services across the Council and this will be essential to mitigate the impact of cuts and assist in continuing to provide priority services. As the Council continues to experience reduced resources, increased demands on services and new and innovative forms of delivery, it is necessary to ensure that the control environment, including governance and risk management, remains robust, proportionate and as efficient and effective as possible.
- 11.2 The Council remains unwavering in its commitment towards improving and finding ways of delivering local services, providing better outcomes for residents and achieving savings that will ensure they can deliver a succession of balanced budgets.
- 11.3 Based on the internal audit work carried out for the year 2016-17, the Head of Internal Audit concluded that the Council’s framework of governance, risk management and control is considered to be reasonable and that “there are no significant cross cutting internal control weaknesses identified which would have an impact on the Council’s Annual Governance Statement”. The weaknesses that have been identified are service specific and the recommendations made to improve the overall control environment have been accepted and are being / will be implemented.

Action Plan

1. Review the Performance Management Framework to incorporate the requirements of the Well-being of Future Generations (Wales) Act 2015
2. Promote the new Code of Corporate Governance and the Well-being of Future Generations (Wales) Act to ensure they underpin everything the Council does.
3. Democratic Services is updating and will publish the Cabinet Forward Work Programme (FWP) on the website to improve transparency and access to the general public. The scheme of delegation will also be published on the Council’s website.
4. The working group set up to produce this year’s annual governance statement and to review the Council’s Code of Corporate Governance to reflect CIPFA’s new 2016 principles will continue to work together to promote the CIPFA’s new 2016 principles and to improve the AGS for next year..
5. The Council will put measures in place to respond to the recommendations within the Financial Resilience report and ensure that financial planning arrangements are strengthened with more robust savings delivery plans and implementation timescales.

12. Certification of Annual Governance Statement

Steps to address and mitigate the matters referred to in section 11 above will be taken to further enhance our governance arrangements.

This statement demonstrates the level of assurance that the Council's governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose.

Signed:

Section 151 Officer: _____ **28 September 2017**

Randal Hemingway

Chief Executive Officer: _____ **28 September 2017**

Darren Mepham

Leader of the Council: _____ **28 September 2017**

Councillor Huw David

Statement of Accounting Policies

1. General principles

The Statement of Accounts summarises the Council's transactions for the 2016-17 financial year and its position at the year end of 31 March 2017. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 in accordance with proper accounting practices. These practices comprise the *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code) 2016-17 and the *Service Reporting Code of Practice 2016-17* supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

2. Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as stocks on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

3. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For example, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year and where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

4. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the Council Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Council Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, employee and retirement benefits and are 'Unusable' reserves as set out in Note 28 to the accounts.

5. Government grants and contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grant / contribution will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential

embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Council Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

6. Employee benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave and bonuses for current employees and are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlement earned by employees but not taken before the financial year-end which employees can carry forward into the next financial year. The accrual is charged to the relevant Service Cost line in the Comprehensive Income and Expenditure Statement, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant Service Cost line in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are members of two separate pension schemes. Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

- The *Teachers' Pension Scheme*, administered by Teachers' Pensions on behalf of the Department for Education (DfE). The arrangements for this scheme mean that liabilities for benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payment of benefits is recognised in the Balance Sheet. The Education and Family line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.
- The *Local Government Pension Scheme* - other employees are entitled to be members of the Rhondda Cynon Taf County Borough Council Pension Fund. The Local Government Scheme is accounted for as a defined benefit scheme:-
- The liabilities of the pension scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate.
- The assets of the pension fund attributable to the Council are included in the Balance Sheet at their fair value:-
 - i. Quoted securities – current bid price
 - ii. Unquoted securities – professional estimate
 - iii. Property – market value
- The change in the net pensions liability is analysed into the following components:-
 - iv. Current service cost – the increase in liabilities as result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - v. Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to Central Services in the Comprehensive Income and Expenditure Statement
 - vi. Net interest on the net defined benefit liability (asset), i.e. net interest expense for the Council – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
 - vii. Re-measurements comprising:-
- The return on plan assets – excluding amounts included in the net interest on the net defined benefit liability (asset) – charged to the Pensions Reserve and Other Comprehensive Income and Expenditure
- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions reserve as Other Comprehensive Income and expenditure:-

- viii. Contributions to the pension fund – cash paid as employer’s contribution to the pension fund in settlement of liabilities; not accounted for as an expense.
- In relation to retirement benefits, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners any amounts payable to the fund but unpaid at the year end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the Council Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.
 - The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

7. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty’s Revenue and Customs. VAT receivable is excluded from income.

8. Overheads and support services

In line with changes in the Code of Practice on Local Authority Accounting (the Code) for 2016-17, overheads and support services are shown in the relevant service where they are incurred and are not recharged out to supported service areas. Any internal income as a result of transactions between departments is shown in the supplying service line with the corresponding charge being shown in the recipient service line. This represents a change from 2015-16 when support costs were recharged in line with the Service Reporting Code of Practice.

9. Intangible Assets

The Council accounts for software as intangible assets to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. Intangible assets relates to the Wales Community Care Information System (WCCIS) software development costs and licence.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful life used by the Council of the WCCIS is 8 years. Amortisation of the intangible asset is charged on a straight line basis over the useful life and is charged to the Social Services and Wellbeing line in the Comprehensive Income and Expenditure Statement.

10. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment. Assets that are part-way through creation at year end and are not yet in a usable condition are classified as Assets under Construction.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure on assets below £40,000 is recognised as an asset but treated as non-enhancing expenditure and immediately impaired in full. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure and community assets – depreciated historical cost
- surplus assets – fair value, which is at 'highest and best' use in line with IFRS13
- assets held for sale – lower of fair value and market value less costs of sale
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- **buildings** – Depreciated on a straight-line basis according to estimated asset lives (ranging from 1 to 79 years) based on the value at the start of the year except for land, which is not depreciated.
- **vehicles, plant, furniture and equipment** – Depreciated on a straight-line basis according to estimated asset lives (ranging from 3 to 10 years).
- **infrastructure** – Depreciated on a straight-line basis over 30 years on Bridges, 15 years on Roads and other infrastructure assets according to estimated asset lives (ranging from 1 to 30 years).

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately according to the residual life.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification in line with IFRS13 at Fair Value, deemed to be the value at which the asset could be sold in an orderly market transaction. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the (Surplus) or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale) and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The receipts are required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the Council Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Council Fund Balance in the Movement in Reserves Statement.

11. Heritage Assets

Heritage Assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historical associations. Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. The Council recognises its civic regalia as a Heritage Asset, and these items are reported in the Balance Sheet at insurance valuation which is based on market values. The Council also owns a number of paintings in various buildings and some public works of art, however their value is not recognised in the balance sheet as conventional valuation approaches lack sufficient reliability for inclusion.

The carrying amounts of heritage assets are reviewed where there is evidence of impairment for heritage assets, e.g. where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's general policies on impairment. If the Council disposes of a heritage asset, the proceeds are accounted for in accordance with the Council's general provisions relating to the disposal of property,

plant and equipment. Disposal proceeds are disclosed separately in the notes to the financial statements and accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

12. Charges to revenue for non-current assets

Services are debited with the following amounts to record the real cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

The Council is not required to raise council tax to fund depreciation, revaluation or impairment losses or amortisation. However, it is required to make an annual prudent provision from revenue to contribute towards the reduction in its overall borrowing requirement. This is detailed in the Council's Annual Minimum Revenue Provision Statement, and differentiates between supported capital expenditure, unsupported capital expenditure, and Finance Leases / PFI. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by this *Minimum Revenue Provision* (MRP) by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

13. Revenue Expenditure Funded from Capital Resources under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of non-current assets has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Examples of such expenditure include home improvement grants, town improvement grants, demolitions and land feasibility studies. Where the Council has determined to meet the cost of these from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the Council Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so there is no impact on the level of council tax. Where this expenditure is funded by grants or contributions, this is also taken to the relevant service area where the expenditure has been charged.

14. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as a Lessee

Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the

obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability, and
- a finance charge (debited to the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Council at the end of the lease period).

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the Council Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. if there is a rent-free period at the commencement of the lease).

The Council as a Lessor

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (eg there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

15. Financial Liabilities

Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure Section of the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable together with any accrued interest and interest charged to the Comprehensive Income and Expenditure Statement for the year according to the loan agreement.

The Council has three Lender's Option Borrower's Option loans (LOBOs) with stepped interest rates. An effective interest rate has been used for these so that these are remeasured amounts for the LOBOs on the Balance Sheet.

16. Financial Assets

Loans and Receivables are assets that have fixed or determinable payments but are not quoted in an active market. They are initially measured at fair value and carried at their amortised cost. Annual credits to the Income and Expenditure Account for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

17. Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. Work in progress is subject to an interim valuation at the year end and recorded in the Balance Sheet at cost plus any profit reasonably attributable to the works.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

18. Private Finance Initiatives (PFI)

PFI contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under the PFI scheme and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current Assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed as follows:-

- fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- finance cost – an interest charge on the outstanding Balance Sheet liability, debited to Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement
- payment towards the liability – applied to write down the Balance Sheet liability towards the PFI operator

PFI assets are subject to MRP. The Annual MRP Policy for the Council has deemed this charge to be equivalent to the finance lease liability written down for the year.

PFI Credits

Government grants received for PFI schemes, in excess of current levels of expenditure, are carried forward as an earmarked reserve to fund future expenditure.

19. Joint Arrangements

During the year the Council had administrative responsibilities for County Borough Supplies, which ceased trading on 31 March 2016. The Council agreed final balances to its partner authorities and the final accounts were audited in 2016-17. The Council continues to have administrative responsibilities for Coychurch Crematorium and independent financial statements continue to be prepared and reviewed for this joint committee. The activities of these joint arrangements are excluded from the Council's single entity financial statements on the basis of materiality of both assets and population.

20. Council Tax Income

All Council Tax income is shown in the Comprehensive Income and Expenditure Statement of the Council with the major preceptors' precepts (principally Police and Crime Commissioner for South Wales) being included as expenditure.

21. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

22. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty of notice of not more than 24 hours. Cash equivalents are investments that mature in no more than a month or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

23. Events after the Balance Sheet date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

24. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

The Council instructed external valuers Cooke & Arkwright to provide valuations as at 31 December for all of the Council's investment portfolio in line with IFRS13. When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (that is **Level 1 inputs**), their fair value is measured using the following valuation techniques:

Level 2 inputs: quoted prices for similar assets or liabilities in active markets at the valuation date

Level 3 inputs: valuations based on most recent valuations, adjusted to current valuation by the use of indexation and impairment review

The majority of the investment properties were valued at Level 2 inputs with a number valued at Level 3 inputs.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the Council Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the Council Fund Balance. The gains and losses are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

25. Carbon Reduction Commitment Allowances

The Council is required to participate in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme. The Council is required to purchase and surrender allowances, currently retrospectively, on the basis of emissions ie carbon dioxide produced as energy is used. As carbon dioxide is emitted (ie as energy is used), a liability and an expense are recognised. The liability will be discharged by surrendering allowances. The liability is measured at the best estimate of the expenditure required to meet the obligation, normally at the current market price of the number of allowances required to meet the liability at the reporting date. The cost to the Council is recognised and reported in the costs of the services and is apportioned to services on the basis of energy consumption.

26. Local Authority Schools

The Code of Practice on Local Authority Accounting confirms that the balance of control for local Council maintained schools (i.e. those categories of school identified in the School Standards and Framework Act 1998, as amended) lies with the Council. The Code also stipulates that those schools' assets, liabilities and cash flows are recognised in the Council's financial statements (and not the Group Accounts). Therefore, schools' transactions, cash flows and balances are recognised in each of the financial statements as if they were of the Council.

Financial Statements

Comprehensive Income and Expenditure Statement

2015-16 restated				2016-17			Notes
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	
159,619	(47,695)	111,924	Education and Family Support	160,168	(44,483)	115,685	
77,972	(19,122)	58,850	Social Services & Wellbeing	85,871	(21,133)	64,738	
64,904	(26,798)	38,106	Communities	63,758	(23,942)	39,816	
28,157	(12,395)	15,762	Operational and Partnership Services	28,001	(12,882)	15,119	
55,721	(52,326)	3,395	Chief Executives and Finance	54,702	(51,173)	3,529	
23,099	(857)	22,242	Central Services	17,879	(5,717)	12,162	
409,472	(159,193)	250,279	Cost Of Services	410,379	(159,330)	251,049	
			Other Operating Expenditure				
11,944	-	11,944	Precepts payable	12,700		12,700	5
6,823	-	6,823	Levies payable	6,881		6,881	5
2,181		2,181	(Gain) / loss on disposal of non current assets	1,050		1,050	
20,948	-	20,948	Other Operating Expenditure	20,631	-	20,631	
			Financing and Investment Income and Expenditure				
4,546	-	4,546	Interest payable on debt	4,576		4,576	
69	-	69	Interest element of finance leases (lessee)	65		65	
1,434	-	1,434	Interest payable on PFI unitary payments	1,395		1,395	11
8,450	-	8,450	Net Interest on Net Defined Benefit Liability	8,050		8,050	29
-	(903)	(903)	Investment Interest & Other Interest Receivable		(942)	(942)	
-	(1,082)	(1,082)	Changes in fair value of investment properties			-	
14,499	(1,985)	12,514	Financing and Investment Income and Expenditure	14,086	(942)	13,144	
			Taxation and Non-Specific Grant Income				
	(148,002)	(148,002)	Revenue Support Grant		(145,233)	(145,233)	6
	(40,274)	(40,274)	National Non Domestic Rates		(42,142)	(42,142)	9
	(77,487)	(77,487)	Council Tax		(81,049)	(81,049)	8
	(13,622)	(13,622)	Recognised capital grants and cont.		(6,486)	(6,486)	7
	(1,400)	(1,400)	Non service related government grants		-	-	7
-	(280,785)	(280,785)	Taxation and Non-Specific Grant Income	-	(274,910)	(274,910)	
444,919	(441,963)	2,956	(Surplus) or Deficit on Provision of Services	445,096	(435,182)	9,914	
	(19,595)	(19,595)	(Surplus) or deficit on revaluation of Property, Plant and Equipment		(8,705)	(8,705)	
3,614		3,614	Impairment losses on non-current assets charged to the Revaluation reserve	3,941		3,941	
	(34,330)	(34,330)	Actuarial (gains) / losses on pension liabilities		(1,960)	(1,960)	29
		(50,311)	Other Comprehensive (Income) and Expenditure			(6,724)	
		(47,355)	Total Comprehensive (Income) and Expenditure			3,190	

Expenditure and Funding Analysis

2015-16				2016-17		
Net Expenditure Chargeable to the Council Fund	Adjustments between the Funding and Accounting Basis & transfers to Earmarked Reserves (Note 18)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the Council Fund	Adjustments between the Funding and Accounting Basis & transfers to Earmarked Reserves (Note 18)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£'000	£'000	£'000		£'000	£'000	£'000
106,248	(5,677)	111,925	Education and Family Support	107,653	(8,032)	115,685
59,998	1,148	58,850	Social Services & Wellbeing	62,560	(2,178)	64,738
24,978	(13,127)	38,105	Communities	24,517	(15,299)	39,816
			Operational & Partnership			
13,629	(2,133)	15,762	Services	13,238	(1,881)	15,119
3,432	37	3,395	Chief Executives	3,467	(62)	3,529
36,315	14,073	22,242	Central Services	33,428	21,266	12,162
244,600	(5,679)	250,279	Cost Of Services	244,863	(6,186)	251,049
(244,754)	2,569	(247,323)	Other income and Expenditure	(245,219)	(4,084)	(241,135)
(154)	(3,110)	2,956	Surplus or Deficit	(356)	(10,270)	9,914
7,450			Opening Council Fund Balance	7,604		
154			Surplus or (Deficit) on Council Fund for year	356		
7,604			Closing General Fund Balance at 31 March	7,960		

Movement in Reserves Statement

	Council Fund Balance £'000	Earmarked Reserves £'000	Capital Receipts Reserves £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total Council Reserves £'000
Balance at 31 March 2015 carried forward	7,450	41,454	14,534	153	63,591	31,109	94,700
<u>Movement in Reserves during 2015-16</u>							
Total Comprehensive Income and (Expenditure)	(2,956)				(2,956)	50,309	47,353
Adjustments between accounting basis & funding basis under regulations (Note 4)	6,569		3,818	30	10,417	(10,417)	-
Transfers to Earmarked Reserves (Note 27)	(3,459)	3,459	-	-	-	-	-
Increase/(Decrease) in 2015-16	154	3,459	3,818	30	7,461	39,892	47,353
Balance at 31 March 2016 carried forward	7,604	44,913	18,352	183	71,052	71,001	142,053

	Council Fund Balance £'000	Earmarked Reserves £'000	Capital Receipts Reserves £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total Council Reserves £'000
Balance at 31 March 2016 carried forward	7,604	44,913	18,352	183	71,052	71,001	142,053
<u>Movement in Reserves during 2016-17</u>							
Total Comprehensive Income and (Expenditure)	(9,914)				(9,914)	6,724	(3,190)
Adjustments between accounting basis & funding basis under regulations (Note 4)	16,516		3,012	-	19,528	(19,528)	-
Transfers to Earmarked Reserves (Note 27)	(6,246)	6,246	-	-	-	-	-
Increase/(Decrease) in 2016-17	356	6,246	3,012	-	9,614	(12,804)	(3,190)
Balance at 31 March 2017 carried forward	7,960	51,159	21,364	183	80,666	58,197	138,863

Balance Sheet

31 March 2016 restated £'000		31 March 2017 £'000	Notes
	Property, Plant & Equipment		20c
377,815	Other land and buildings	379,014	
5,198	Vehicles, plant, furniture and equipment	4,605	
77,261	Infrastructure	70,047	
4,808	Community assets	5,015	
6,299	Assets under construction	4,067	
8,256	Surplus assets not held for sale	8,237	
73	Heritage Assets - Civic Regalia	73	
5,185	Investment Property	5,060	21
5,000	Intangible Assets	4,375	20d
2,007	Long Term Investments	4,003	30
	Long Term Debtors		
12	Housing Advances	8	
133	Finance Leases	-	
492,047	Long Term Assets	484,504	
14,543	Short Term Investments	26,572	30
4,035	Assets held for sale	1,730	23
419	Inventories	513	
27,346	Short Term Debtors	29,467	22
7,182	Cash and Cash Equivalents	1,664	30
53,525	Current Assets	59,946	
(960)	Short Term Borrowing	(952)	30
(32,772)	Short Term Creditors	(27,310)	24
(1,118)	Provisions due in 1 year	(1,214)	
(34,850)	Current Liabilities	(29,476)	
(2,362)	Provisions due after 1 year	(2,451)	25
(97,434)	Long Term Borrowing	(97,432)	30
	Other Long Term Liabilities		
(21,759)	PFI & Other Long Term Liabilities	(21,064)	26
(245,270)	Net pensions liability	(252,450)	29
(1,844)	Capital Grants Receipts in Advance	(2,714)	20h
(368,669)	Long Term Liabilities	(376,111)	
142,053	Net Assets	138,863	
	Usable reserves		27
7,604	Council Fund	7,960	
44,913	Earmarked reserves	51,159	27b
18,352	Capital Receipts Reserve	21,364	27a
183	Capital Grants Unapplied	183	
	Unusable Reserves		28
127,291	Revaluation Reserve	124,703	28a
(245,270)	Pensions Reserve	(252,450)	28b
192,078	Capital Adjustment Account	189,468	28c
(739)	Financial Instruments Adjustment Account	(731)	28d
(2,359)	Short-term Accumulating Compensated Absences Account	(2,793)	28e
142,053	Total Reserves	138,863	

Cash Flow Statement

2015-16 £'000		2016-17 £'000	Notes
2,956	Net (surplus)/deficit on the Provision of Services	9,914	
(28,969)	Adjustments to net deficit on the provision of services for non-cash movements	(31,442)	33
17,582	Adjustments for Items included in the net deficit on the provision of services that are investing and financing activities	11,778	
(8,431)	Net Cash Flows from Operating Activities	(9,750)	34
23,081	Investing Activities	22,614	35
(15,259)	Financing Activities	(7,346)	36
(609)	Net Increase / (Decrease) in Cash & Cash Equivalents	5,518	
(6,573)	Cash & Cash Equivalent at the beginning of the Reporting Period	(7,182)	
(7,182)	Cash & Cash Equivalent at the end of the Reporting Period	(1,664)	

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

Notes to the Financial Statements

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1. Accounting Standards that have been Issued but not yet Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom 2016-17 (the Code) requires that the Council discloses information relating to the anticipated impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This requirement applies to the adoption of the following new or amended standards within the 2016-17 Code:

- IAS 139 - Amendment to the reporting of pension fund scheme transaction costs
- IAS 140 - Amendment to the reporting of investment concentration

As their implementation is from 1 April 2017 they would not have any impact on the 2016/17 Statements.

2. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out above, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

There is a high degree of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

The Council is deemed to control the services provided under the outsourcing agreement for the provision of a Comprehensive School in Maesteg and also to control the residual value of the school at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the School (valued at £24.1 million) has been recognised as Property, Plant and Equipment on the Council's Balance Sheet.

The Council has a number of interests in other entities however the arrangements are not sufficiently material to warrant producing consolidated financial statements when reviewing both quantitative and qualitative information. In order to ensure compliance with the Code, a range of narrative disclosures have been made in other sections of the accounts.

3. Assumptions made about the future and other major sources of estimated uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2017 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Plant, Property and Equipment

Revaluation of the Council's assets is undertaken on a 3-year rolling programme. The value of those assets is based upon calculations and estimation techniques following the Royal Institute of Chartered Surveyors (RICS) guidance, and in accordance with IFRS. Revaluation takes account of the value and condition of the asset, relevant components and also de-recognition where appropriate.

Depreciation of Property, Plant and Equipment

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate may result in spending on repairs and maintenance having to be reduced thus, bringing into doubt the useful lives assigned to assets. If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets will fall.

Investment Properties, Surplus Assets and Assets Held for Sale

Fair Value estimations

The Council instructed external valuers Cooke & Arkwright to provide valuations as at 31 December 2016 for all of the Council's investment portfolio. These were valued in line with IFRS13.

When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (**Level 1 inputs**), their fair value is measured using the following valuation techniques:

Level 2 inputs: quoted prices for similar assets or liabilities in active markets at the balance sheet date;

Level 3 inputs: valuations based on the most recent valuations adjusted to current valuation by the use of indexation and impairment review.

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgment is required in establishing fair values. These judgments typically include considerations such as uncertainty and risk. Changes in assumptions used could affect the fair value. The external valuers used the most appropriate valuation techniques to determine fair value.

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

Notes to the Movement in Reserves Statement

4. Adjustments between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

Council Fund Balance

This is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the Council Fund Balance, which is not necessarily in accordance with proper accounting practice. The Council Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit or resources that the Council is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

The tables below detail the adjustments for 2015-16 for comparative purposes and the adjustments for 2016-17.

Unusable Reserves

This includes the Revaluation Reserve which contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment; the Pensions Reserve which absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions; the Capital Adjustment Account which absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing and acquisition, construction or enhancement of those assets under statutory provisions; the Financial Instruments Adjustment Account which absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions; and the Short-term Accumulated Compensated Absences Account which absorbs the

differences that would otherwise arise on the Council Fund Balance from accruing holiday entitlements earned but not taken in the year.

2015-16	Usable Reserves			Unusable Reserves
	Council Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	£'000
Adjustment to the Revenue Resources				
<i>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</i>				
Pensions costs (transferred to (or from) the Pensions Reserve)	6,590			(6,590)
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	(2,893)			2,893
Holiday Pay (transferred to the Accumulated Absences Reserve)	(1,865)			1,865
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (those items are charged to the Capital Adjustment Account)	32,093		14	(32,107)
Total Adjustments to Revenue Resources	33,925	-	14	(33,939)
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(3,959)	3,959		
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(8,513)			8,513
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(1,262)			1,262
Total adjustments between Revenue and Capital Resource	(13,734)	3,959	-	9,775
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure		(146)		146
Application of capital grants to finance capital expenditure	(13,606)			13,606
Cash payments in relation to deferred capital receipts	(16)		16	
Other Amounts (including mortgage payments)		5		(5)
Total adjustments to Capital Reserves	(13,622)	(141)	16	13,747
Total Adjustments	6,569	3,818	30	(10,417)

2016-17	Usable Reserves			Unusable Reserves £'000
	Council Fund Balance £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	
Adjustment to the Revenue Resources				
<i>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</i>				
Pensions costs (transferred to (or from) the Pensions Reserve)	9,140			(9,140)
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	(8)			8
Holiday Pay (transferred to the Accumulated Absences Reserve)	435			(435)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (those items are charged to the Capital Adjustment Account)	31,134			(31,134)
Total Adjustments to Revenue Resources	40,701	-	-	(40,701)
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(5,293)	5,293		
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(10,301)			10,301
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(2,105)			2,105
Total adjustments between Revenue and Capital Resource	(17,699)	5,293	-	12,406
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure		(2,285)		2,285
Application of capital grants to finance capital expenditure	(6,486)			6,486
Cash payments in relation to deferred capital receipts				
Other Amounts (including mortgage payments)		4		(4)
Total adjustments to Capital Reserves	(6,486)	(2,281)	-	8,767
Total Adjustments	16,516	3,012	-	(19,528)

Notes to the Comprehensive Income and Expenditure Statement

5. Precepts and levies

Precepts are the amounts paid to non-billing authorities (e.g. community councils) so that they can cover their expenses. Levies are the amounts payable when services are operated over areas covering more than one Council, either on a joint service basis, where one Council administers the service where other Councils contribute to the costs, or by external bodies who levy on the appropriate Councils. The amounts paid were as follows:

2015-16 £'000		2016-17 £'000
	Precepts	
10,207	Police and Crime Commissioner for South Wales	10,791
1,737	Community Councils	1,909
11,944	Sub total	12,700
	Levies	
6,484	South Wales Fire and Rescue Authority	6,542
223	Coroners Service	226
96	Archive Service	93
1	Margam Crematorium Joint Committee	0
19	Swansea Bay Port Health Authority	20
6,823	Sub total	6,881
18,767	Total	19,581

6. Revenue Support Grant (RSG)

This is the principal source of finance towards revenue expenditure from Welsh Government with the amount receivable fixed at the start of each financial year. The amount received in 2016-17 was £145.2 million (£148.0 million for 2015-16).

7. Government grants

In addition to the Revenue Support Grant, the Council received the following specific government grants:

2015-16	Specific Grants credited to Services	2016-17
£'000		£'000
(49,536)	Housing Benefit Subsidy	(48,571)
(6,502)	DCELLS Post 16 Grant	(6,331)
(5,213)	Education Improvement Grant	(4,951)
(5,672)	Other Education & Family Support	(6,823)
(1,687)	Other Social Services & Wellbeing	(1,704)
(4,845)	Others	(5,013)
(5,816)	Supporting People	(5,816)
(401)	Sport Play & Active Wellbeing	(405)
(2,973)	Concessionary Fares Grant	(2,996)
(3,178)	Flying Start	(3,287)
(2,796)	Sustainable Waste Grant	(2,777)
(708)	Housing/Council Tax Benefit Administration	(595)
(1,478)	Communities First	(1,550)
(1,898)	Families First	(1,740)
(92,703)	Total	(92,559)

2015-16	Other Government Grants credited to Taxation and Non-specific Grant Income	2016-17
£'000		£'000
(13,622)	Capital Grants and Contributions	(6,486)
(1,400)	Improvement Agreement Grant	-
(15,022)	Total	(6,486)

(107,725)	Total	(99,045)
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Grant income sits within the gross income column within services except for the Improvement Agreement Grant and Capital Grants and Contributions.

8. Council Tax

Council Tax Income derives from charges raised according to the value of residential properties, which have been classified into ten valuation bands estimating 1 April 2005 values for this specific purpose. Charges are calculated by taking the amount of income required for Bridgend County Borough Council, each Community Council and the Police and Crime Commissioner for South Wales and dividing this by the Council Tax base. The Council Tax base is the total number of properties in each band adjusted by a proportion to convert the number to a Band D equivalent and adjusted for discounts – 51,916.19 dwellings for 2016-17 (51,071.48 in 2015-16). The average amount for a Band D property is £1,542.40 in 2016-17 (£1,482.94 in 2015-16 on average) and is multiplied by the proportion specified for the particular band to give the individual amount due.

Council Tax bills were based on the following multipliers for bands A* to I and the number of properties in each band were as follows:

Band	A*	A	B	C	D	E	F	G	H	I
Multiplier	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9
Chargeable Dwellings	25	10,055	14,759	13,921	9,947	7,208	4,058	1,383	282	88

Analysis of the net proceeds from Council Tax is as follows:

2015-16 £'000		2016-17 £'000
(77,487)	Council Tax Collectable	(81,049)
	Less:	
1,737	Payable to Community Councils	1,909
10,207	Payable to Police and Crime Commissioner for South Wales	10,791
(386)	Provision for non-payment of Council Tax (decrease)	(1,084)
(65,929)	Net Proceeds from Council Tax	(69,433)

9. National Non-Domestic Rates (NNDR)

NNDR is organised on a national basis. The Welsh Government specifies the rate in the pound to be charged and, subject to the effects of transition arrangements, local businesses pay rates calculated by multiplying their rateable value by the rate in the pound. This was 48.6p in 2016-17 (48.2p in 2015-16). The Council is responsible for collecting rates due from ratepayers in its area but pays the proceeds into the NNDR pool administered by WG. WG then redistributes the sums payable back into local authorities on the basis of a fixed amount per head of population.

The Council receives a contribution from the NNDR pool direct. The income from this should be reflected separately in the Comprehensive Income and Expenditure Statement. This amount was £42.142 million in 2016-17 (£40.274 million in 2015-16).

10. Leases

Council as a Lessee

Operating Leases

The future minimum lease payments due under non-cancellable leases in future years are:

31 March 2016 £'000		31 March 2017 £'000
(787)	Not later than one year	(768)
(2,021)	Later than one year	(1,943)
(7,583)	Later than five years	(7,026)
(10,391)	Total	(9,737)

Expenditure charged in the year to the Service areas was £0.843 million made up of minimum lease payments of £0.299 million and £0.545 million for contingent rents (£0.851 million in 2015-16 made up of £0.404 million minimum lease payments and £0.447 million contingent rents).

Council as a LessorOperating Leases

The Council leases out property for economic purposes to provide affordable accommodation for local businesses. The future rentals receivable under operating leases are:-

31 March 2016 £'000		31 March 2017 £'000
48	Not later than one year	88
120	Later than one year	139
800	Later than five years	875
968	Total	1,102

11. Private Finance Initiative (PFI)

During the 2008-09 financial year, the Council commenced payment under the Private Finance Initiative (PFI) arrangement for the provision of a Secondary School in Maesteg that was entered into in 2007-08 which will run until August 2033. There is a commitment of £30.5 million (Net Present Value) over the duration of the contract, which is to be funded by a combination of PFI Credits, agreed by the Welsh Government, and Council/Delegated School resources.

The total unitary payment is divided into the service charge element, the repayment of the liability element and the interest element. The charges are shown below:-

2015-16 £'000	Unitary Charge	2016-17 £'000
636	Service Charge Element	638
1,434	Interest Element	1,395
513	Finance Lease Liability	552
2,583	Total	2,585

These payments will be made over the life of the PFI contract and estimates for subsequent years are as detailed below at current prices:-

Unitary Charge	2017-18 £'000	2018-19 to 2022-23 £'000	2023-24 to 2027-28 £'000	2028-29 to 2032-33 £'000	2033-34 to 2033-34 £'000
Service Charge Element	502	2,511	2,511	2,511	495
Interest Element	1,352	5,997	4,313	1,872	14
Finance Lease Liability	595	3,737	5,421	7,862	620
Total	2,449	12,245	12,245	12,245	1,129

The Council meets the costs of the Unitary Charge from its own resources and funding from the WG. The profile of funding from WG reduces annually until the expiry of the contract term whereas the unitary charge payable by the Council increases annually over the same period. This results in a "surplus" of resources for PFI when compared to payments for the initial period of the contract period. These surplus amounts are set-aside in an earmarked reserve to fund the later part of the contract period where annual payments are greater than annual resources.

As at 31 March 2017, the balance on the PFI equalisation earmarked reserve is £3.949 million (£3.706 million as at 31 March 2016).

12. Pooled Fund Arrangements under Section 33 NHS (Wales) Act 2006

There are some formal pooled budget arrangements between the Council and Abertawe Bro Morgannwg University Local Health Board under Section 33 NHS (Wales) Act 2006 and a pooled fund arrangement between 3 Councils for the delivery of an Integrated Family Support Service under s166-169 Social Services Wellbeing (Wales) Act 2014. The Integrated Family Support Service pooled arrangement commenced in August 2016.

2015-16			Partner	Purpose of Partnership	2016-17		
Gross Income Of Partnership £'000	Gross Expenditure of Partnership £'000	Council's Contribution £'000			Gross Income Of Partnership £'000	Gross Expenditure of Partnership £'000	Council's Contribution £'000
(615)	615	328	Abertawe Bro-Morgannwg University Health Board	Provision of day opportunities for people recovering from mental health problems.	(596)	596	318
(2,654)	2,625	569	Rhondda Cynon Taff CBC Merthyr Tydfil CBC Cwm Taf LHB Abertawe Bro Morgannwg University Health Board	Provision of specified community equipment for service users to enable them to continue to live in their own homes. Rhondda Cynon Taf are the lead partner	(2,645)	2,574	629
(4,414)	4,414	2,346	Abertawe Bro-Morgannwg University Health Board	Provision of integrated community support services	(4,595)	4,595	2,473
			Neath Port Talbot CBC, City and County of Swansea Council	Provision of an Integrated Family Support Service	(825)	825	275

13. Officers' Remuneration

Four separate disclosures are required to ensure compliance with either the Accounts and Audit (Wales) Regulations 2014 or the CIPFA Code.

Disclosure 1 – Ratio of the Remuneration of the Chief Executive to the median remuneration of all the body's employees

The ratio for Bridgend is 6.64 (2015-16: 6.64) and median salary is £19,939 (2015-16: £19,742), i.e. the Remuneration of the Chief Executive is 6.64 times more than the median remuneration of the Council's employees.

Disclosure 2 : Table of Officers' Remuneration over £60k

The number of employees (including teachers) whose remuneration, excluding pension contributions, was £60,000 or more for the year is as follows:

2015-16 including Redundancy Costs	Remuneration Band	Number of Employees				
		Movement in Bandings	2016-17 inc Redundancy Costs	2016-17 exc Redundancy Costs (Note 1)	Number of Teachers inc in Figures exc Redundancy (Note 1)	Number of Non-Teachers inc in Figures exc Redundancy (Note 1)
23	£60,000 - £64,999	(4)	19	17	16	1
19	£65,000 - £69,999	(6)	13	12	12	-
5	£70,000 - £74,999	1	6	4	4	-
7	£75,000 - £79,999	1	8	6	1	5
9	£80,000 - £84,999	(3)	6	5	3	2
2	£85,000 - £89,999	(1)	1	1	1	-
4	£90,000 - £94,999	(3)	1	-	-	-
1	£95,000 - £99,999	1	2	1	1	-
8	£100,000 - £104,999	(6)	2	1	-	1
-	£105,000 - £109,999	6	6	4	1	3
1	£110,000 - £114,999	(1)	-	-	-	-
2	£115,000 - £119,999	(1)	1	1	1	-
-	£120,000 - £124,999	1	1	-	-	-
-	£125,000 - £129,999	-	-	-	-	-
1	£130,000 - £134,999	-	1	1	-	1
-	£135,000 - £139,999	1	1	-	-	-
1	£160,000 - £164,999	(1)	-	-	-	-
83		(15)	68	53	40	13

Note 1: There are 53 individuals with remuneration of £60,000 or more, including:-

- a) 40 Headteachers and Deputy Headteachers, and
- b) 13 Senior Managers of the Council, including the Senior Officers shown in Disclosure 3 below, and Heads of Service.

Disclosure 3 : Table of Senior Officer's Remuneration (including Pensions Contributions)

Job Title	Salary		Pension Contributions		Total Remuneration including Pension Contributions	
	16-17	15-16	16-17	15-16	16-17	15-16
	£	£	£	£	£	£
Chief Executive Officer & Head of Paid Service (Note 1)	132,402	131,091	28,202	27,529	160,604	158,620
Corporate Director - Education and Family Support (Note 4)	105,109	102,355	22,388	21,494	127,497	123,849
Interim Corporate Director - Education and Family Support (Note 4)	3,238	-	690	-	3,928	-
Corporate Director - Communities	105,109	104,068	22,388	21,854	127,497	125,922
Corporate Director - Social Service & Wellbeing	105,109	102,355	22,388	21,494	127,497	123,849
Corporate Director - Resources & s151 Officer (Note 5)	2,650	104,068	862	21,854	3,512	125,922
Head of Finance - s151 Officer (Note 5)	78,700	-	16,763	-	95,463	-
Corporate Director - Operational and Partnership Services (Note 6)	100,227	96,002	12,714	20,160	112,941	116,162

Notes

Note 1: The Chief Executive Officer's salary excludes payment for Returning Officer Duties. These amounted to £21,769 for a Parliamentary By-Election, two Welsh Assembly elections, two Police and Crime Commissioner elections and the European Referendum.

Note 2: Pension Contributions relate to actual payments made.

Note 3: 'Expenses' and 'Benefits in Kind' have been adjusted so that they exclude non-taxable reimbursements

Note 4: The Corporate Director – Education and Family Support has been seconded to Welsh Government and an interim Director has been appointed to cover this role. Costs recovered from the Welsh Government during 2016-17 totalled £12,373.

Note 5: The Corporate Director – Resources left the Council in April 2016 and the Head of Finance assumed the role of s.151 Officer and member of the Corporate Management Board.

Note 6: The Corporate Director Operational and Partnership Services was created as part of a management restructure in April 2016. It replaced the role of the Assistant Chief Executive Legal and Regulatory Services.

Disclosure 4: Table on Exit Packages

The number of exit packages with total cost per band (£'s) and total cost of the compulsory and other redundancies are set out in the table below:

Exit Package Cost Band (including Special Payments)	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16
£0 - £20,000	12	38	20	31	32	69	302,137	604,894
£20,001 - £40,000	4	11	4	41	8	52	247,684	1,458,778
£40,001 - £60,000	2	10	4	9	6	19	305,452	953,031
£60,001 - £80,000	3	1	-	2	3	3	198,796	204,767
£80,001 - £100,000	1	1	-	2	1	3	93,884	266,552
£100,001 - £120,000	-	-	2	-	2	-	217,963	-
£120,001 - £140,000	-	-	-	1	-	1	-	139,431
	22	61	30	86	52	147	1,365,916	3,627,453

In addition to the above there were payments during 2016/17 of £296,682 relating to 34 exit packages approved in 2015-16.

14. Members' allowances

As a result of the December 2011 Report of the Independent Remuneration Panel for Wales, a new system of 'salary' payments for Members came into effect in full from 16 May 2012. The Council now has in place a 'Basic Salary' for all members, a 'Senior Salary', and a Civic Salary.

2015-16 £'000		2016-17 £'000
544	Basic Salary (all Members)	526
508	Senior Salary	521
37	Civic Salary	42
1,089	Total	1,089

Full details of the 'salary' arrangements are available on the Council's website, and details of all Member earnings are also published annually on the Council's website.

15. External audit costs

In 2016-17 Bridgend County Borough Council incurred the following fees relating to external audit and inspection. Of the amount incurred, £15,030 was claimed against grants:

2015-16 £'000		2016-17 £'000
196	Financial Statement Audit	200
97	Performance Audit	97
293	External Audit Services	297
47	Grant Claims and Returns	62
340	Total	359

16. Associates, Subsidiaries, Joint Ventures and Joint Operations

Associates, Subsidiaries and Joint Ventures

The Council has no Subsidiary or Associate companies as defined by the CIPFA Code.

Capita Glamorgan Consultancy Ltd

Capita Glamorgan Consultancy Ltd is a Joint Venture between Capita Symonds and Bridgend, Merthyr Tydfil and Rhondda Cynon Taf County Borough Councils. The Council owns 14.7% of the shares of the company, and holds voting rights to this value on the board. The Corporate Director – Communities is a member of the Board. During 2016-17 the Council was charged £1,178,601 (2015-16: £867,435) in respect of goods, services and capital works.

Joint Operations

The Council participates in a number of Joint Operations and, in accordance with the CIPFA Code, recognises all revenue and expenses, and any material assets and liabilities within its single entity accounts. Joint Operations include:-

Glamorgan Archives Joint Committee

The Glamorgan Record Office is managed and administered by the Glamorgan Archives Joint Committee under powers conferred by the Local Government (Wales) Act 1994. During 2016-17, the Council contributed to the Joint Committee an amount of £92,540 (£95,436 in 2015-16). This was calculated proportionately based upon population. Financial statements for this Joint Committee are available on the Cardiff CC website (www.cardiff.gov.uk)

Coychurch Crematorium

Coychurch Crematorium is subject to the control of a Joint Committee of Members from Bridgend CBC, Rhondda Cynon Taf CBC and the Vale of Glamorgan CBC. The Crematorium is self-financing through income. During the year Bridgend CBC made a contribution of £25,000 to the Crematorium. The Annual Report for this Joint Committee are available on the Bridgend CBC website (www.bridgend.gov.uk).

Margam Crematorium

Margam Crematorium is subject to the control of a Joint Committee of Members from Neath Port Talbot County Borough Council, who manage the Crematorium. Bridgend CBC contribution to Margam Crematorium for 2016-17 was £439 (2015-16 – £1,312). The Annual Report for this Joint Committee are available on the Neath Port Talbot CBC website (www.npt.gov.uk)

County Borough Supplies

County Borough Supplies ceased trading on 31 March 2016. Closing financial statements for this Joint Committee are available on the Bridgend CBC website (www.bridgend.gov.uk).

Central South Consortium Joint Education Service

The Central South Consortium Joint Education Service (CSCJES) provides a range of school improvement services within the local authority areas of Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf and the Vale of Glamorgan. Bridgend CBC contribution to the joint arrangement for the year was £654,157 (2015-16 - £692,350).

Integrated Family Support Service (IFSS)

This is a joint arrangement between Bridgend CBC (lead authority), Neath Port Talbot CBC and City and County of Swansea Council. During 2016-17 the contribution to the joint service by Bridgend CBC was £274,854 (2015-16 - £278,973).

Joint Adoption Service

The Joint Adoption Service is between Bridgend CBC, Neath Port Talbot CBC and City and County of Swansea. Bridgend's contribution to the service in 2016-17 was £824,789 (2015-16 - £593,512)

Shared Regulatory Service

This is a joint arrangement between Bridgend CBC, Cardiff City Council and the Vale of Glamorgan CBC for the provision of a joint regulatory service established in 2015-16. Bridgend CBC contribution to the joint service was £1,823,700 (2015-16 - £1,761,998)

Shared Internal Audit Service

Bridgend CBC and the Vale of Glamorgan CBC operate a joint Internal Audit Service. Bridgend CBC contribution to this joint service was £305,107 (2015-16 - £344,977)

Joint Vehicle Maintenance Service

Bridgend CBC and South Wales Police occupy joint premises for the delivery of their vehicle maintenance services. The contribution from Bridgend CBC to South Wales Police for the joint facility for 2016-17 was £93,223 (2015-16 – £110,773)

Western Bay Youth Justice and Early Intervention Service

This is a joint arrangement between Bridgend CBC (who is the lead), Neath Port Talbot CBC and City and County of Swansea Council for the provision of Youth Justice and early intervention services for children and young people. The contribution to the joint service by Bridgend CBC for the year was £286,942 (2015-16 - £366,621)

Civil Parking Enforcement

Bridgend provides Civil Parking Enforcement for both Bridgend CBC and Vale of Glamorgan CBC. The cost of providing the service on behalf of the Vale of Glamorgan CBC are fully recharged to them, the total cost being £197,966 (2015-16 - £174,180).

Joint arrangements under Section 33 NHS (Wales) Act 2006

The Council is also in joint arrangements under Section 33 NHS (Wales) Act 2006 arrangements involving pooled funds. Further details of these are provided in note 12 to the accounts.

Cardiff Capital Region City Deal (CCRCD)

Bridgend is a partner of the Joint Committee for CCRCD which consists of 10 Partner Authorities: Blaenau Gwent; Caerphilly; Cardiff; Merthyr Tydfil; Monmouthshire; Newport; Rhondda-Cynon-Taf; Torfaen and the Vale of Glamorgan. CCRCD commenced during 2016-17 and Bridgend's contribution for the year was £16,899. During the year the total expenditure of the partnership was £179,177.

17. Related Party Transactions

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the council or to be controlled or influenced by the council. Disclosure of these transactions allows readers to assess the extent to which the council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Welsh Government

Welsh Government has significant influence over the general operations of the Council – it is responsible for providing the statutory framework, within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills). Grants received from government departments are set out in Notes 6 and 7 above.

Members

Members of the Council have direct control over the council's financial and operating policies. Members' external interests are maintained in a register, which is available for inspection on the Council's website. The total of members' allowances paid in 2016-17 is shown in Note 14. Grants were made to organisations whose senior management included Members including Bridgend County Borough Citizens Advice Bureau £247,046 (£190,339 in 2015-16) and Bridgend Association of Voluntary Organisations £95,370 in 2016-17 (£164,147 in 2015-16 (restated)). In all instances, the grants were made with proper consideration of declarations of interest. The relevant members did not take part in any discussion or decision relating to the grants. Other payments made to organisations where members declared interests totalled £179,345. One Member did not provide a Related Party disclosure by the completion of the audit.

Chief Officers

During 2016-17 the Corporate Director – Communities sat on the Board of Capita Glamorgan Consultancy Ltd. The Council owns 14.7% of the shares of the company and holds voting rights to this value on the Board. During 2016-17 the Council was charged £1,178,601 (2015-16: £867,435) in respect of goods, services and capital works. The Corporate Director – Social Services and Wellbeing was an Associate Board Member of Abertawe Bro Morgannwg University Health Board. The Council and the Health Board have a range of formal arrangements as set out in note 12 – Section 33 NHS (Wales) Act 2006.

The Head of Regeneration, Development and Property Services is a Board Member for Bridgend College and also a Director of the newly formed Bridgend Business Improvement District (BID). During 2016-17 the value of payments to the College totalled £194,850 (2015-16: £152,290). The

Council acts as the collector of Business Rates on behalf of the Business Improvement District and transfers those monies to the company. The Council has no business transactions with the BID Company. No Directors received any remuneration for these roles.

Joint Committees

Glamorgan Archives Joint Committee

The Glamorgan Record Office is managed and administered by the Glamorgan Archives Joint Committee under powers conferred by the Local Government (Wales) Act 1994. During 2016-17, the Council contributed to the Joint Committee an amount of £92,540 (£95,436 in 2015-16). This was calculated proportionately based upon population. Financial statements for this Joint Committee are available on the Cardiff CC website (www.cardiff.gov.uk)

Coychurch Crematorium

Coychurch Crematorium is subject to the control of a Joint Committee of Members from Bridgend CBC, Rhondda Cynon Taf CBC and the Vale of Glamorgan CBC. Financial statements for this Joint Committee are available on the Bridgend CBC website (www.bridgend.gov.uk).

Margam Crematorium

Margam Crematorium is subject to the control of a Joint Committee of Members from Neath Port Talbot County Borough Council, who manage the Crematorium. Financial Statements for this Joint Committee are available on the Neath Port Talbot CBC website (www.npt.gov.uk)

County Borough Supplies

County Borough Supplies ceased trading on 31 March 2016. Until this time it was administered by the Council and supplied goods such as stationery. It was a Joint Committee with Members from Bridgend CBC, Rhondda Cynon Taf CBC, Merthyr Tydfil CBC and Caerphilly CBC. Closing financial statements for this Joint Committee are available on the Bridgend CBC website (www.bridgend.gov.uk).

Other Public Bodies

The Council has a number of pooled budget arrangements with Abertawe Bro-Morgannwg University Health Board as detailed in Note 12. It also pays a management fee to the Awen Trust for cultural related services which is a not for profit organisation. The Board of Awen Trust has 3 Members on its Board.

18. Note to the Expenditure and Funding Statement

Adjustments between Funding and Accounting Basis 2015-16				
Adjustments from Council Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments
	£'000	£'000	£'000	£'000
Education and Family Support	(7,827)	799	1,351	(5,677)
Social Services & Wellbeing	762	651	(265)	1,148
Communities	(12,516)	295	(906)	(13,127)
Operational & Partnership Services	(1,190)	217	(1,160)	(2,133)
Chief Executives	-	86	(49)	37
Central Services	5,709	(188)	8,552	14,073
Net cost of services	(15,062)	1,860	7,523	(5,679)
Other income and expenditure from the Expenditure and Funding Analysis	7,060	(8,450)	3,959	2,569
Difference between Council Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(8,002)	(6,590)	11,482	(3,110)

Adjustments from Council Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments
	£'000	£'000	£'000	£'000
Education and Family Support	(4,902)	(241)	(2,889)	(8,032)
Social Services & Wellbeing	(177)	(185)	(1,816)	(2,178)
Communities	(13,187)	(78)	(2,034)	(15,299)
Operational & Partnership Services	(652)	(62)	(1,167)	(1,881)
Chief Executives	-	(24)	(38)	(62)
Central Services	8,776	(500)	12,990	21,266
Net cost of services	(10,142)	(1,090)	5,046	(6,186)
Other income and expenditure from the Expenditure and Funding Analysis	(1,324)	(8,050)	5,290	(4,084)
Difference between Council Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(11,466)	(9,140)	10,336	(10,270)

Note 1 - Adjustments for Capital Purposes

The adjustments for capital purposes column adds in depreciation and impairment, revaluation gains and losses and Revenue Expenditure Funded by Capital under Statute (REFCUS) in the services line, and for:

- Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets
- Financing and investment income and expenditure – the statutory charges for capital financing (i.e. the Minimum Revenue Provision) and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices
- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Note 2 - Net Change for the Pensions Adjustments

The net change for the removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income:

- For Services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs
- For Financing and Investment Income and Expenditure – the net interest on the defined benefit liability is charged to the CIES.

Note 3 - Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For financing and investment income and expenditure the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts
- The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

19. Expenditure and Income Analysed by Nature

This table sets out how the funding to the Council has been used in providing services in line with generally accepted accounting practices. This will include cash and non-cash transactions including accounting adjustments in line with International Financial Reporting Standards.

2015-16 £'000		2016-17 £'000
	Expenditure	
171,886	Employee expenses	174,030
211,245	Other services expenses	212,340
26,341	Depreciation, amortisation, impairment	24,009
14,499	Interest payments	14,086
18,767	Precepts and levies	19,581
2,181	Loss on disposal of assets	1,050
444,919	Total expenditure	445,096
	Income	
(62,528)	Fees, charges and other service income	(63,036)
(117,761)	Income from council tax, non-domestic rates	(123,191)
(259,689)	Government grants and contributions	(248,013)
(903)	Interest and investment income	(942)
(1,082)	Other income	-
(441,963)	Total income	(435,182)
2,956	(Surplus) or Deficit on the provision of services	9,914

Notes to the Balance Sheet

20. Non-current Assets

a) Capital commitments

As at 31 March 2017 the Council has entered into a number of contracts for the construction or enhancement of property, plant and equipment in 2017/18 and future years of approximately £18.074m. Similar commitments at 31 March 2016 were £3.651m. The major budgeted commitments are:

2015-16 £'000		2016-17 £'000
3,350	Vibrant and Viable Places	-
-	- Garw Valley South Primary Provision	9,160
-	- Brynmenyn Primary School	7,176
-	- Civic Offices External Envelope	1,012
3,350	Total	17,348

b) Notes on Non-current Assets

Voluntary-aided & Voluntary-controlled Schools

The Council recognises its only Voluntary-controlled School on its Balance Sheet. This is Pen-y-Fai Church in Wales Primary School. The four voluntary-aided primary schools and one voluntary-aided comprehensive school are not assets of the Council and therefore not included in the Balance Sheet.

c) Non-current Assets valuation

Non-current Assets are included in the Balance Sheet on the valuation basis set out in the Statement of Accounting Policies. All assets are valued on a rolling 3-year basis as at 31 December with a review to 31 March to confirmed no significant changes in value during that period. These valuations were by Council Surveyors in accordance with the Statements of Asset Valuation, Practice and Guidance Notes of the Royal Institution of Chartered Surveyors for non-investment assets, investment assets being valued independently by Cooke & Arkwright .

Summary of Property, Plant & Equipment (PPE)	Other Land and Buildings £'000	Vehicle, Plant and Equipment £'000	Infrastructure £'000	Community Assets £'000	Surplus Assets £'000	Assets Under Construction £'000	Total PPE Assets £'000	PFI Assets Included in PPE £'000
Cost or Valuation								
At 1 April 2016	386,768	7,744	205,946	4,845	8,256	6,300	619,859	24,142
Additions	3,661	832	3,561	-	-	5,827	13,881	-
Accumulated Depreciation and Impairment written out to GCA	(4,423)	-	-	-	-	-	(4,423)	-
Revaluation increases/(decreases) recognised in the Revaluation Reserve	4,152	-	-	-	766	-	4,918	-
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	462	-	-	7	(14)	-	455	-
Derecognition - Disposals	(3,739)	(4)	-	-	(70)	-	(3,813)	-
Assets reclassified (to)/from Held for Sale	(430)	-	-	200	(1,863)	-	(2,093)	-
Assets reclassified (to)/from Investment Property	-	-	-	-	45	-	45	-
Other Movements in Cost or Valuation	6,930	-	-	-	1,130	(8,059)	1	-
At 31 March 2017	393,381	8,572	209,507	5,052	8,250	4,068	628,830	24,142
Accumulated Depreciation and Impairments								
At 1 April 2016	(8,953)	(2,546)	(128,685)	(37)	-	(1)	(140,222)	(4)
Depreciation Charge for the year	(10,362)	(1,303)	(10,654)	-	(1)	-	(22,320)	(927)
Accumulated Depreciation and Impairment written out to the surplus / deficit on the provision of services	4,423	-	-	-	-	-	4,423	-
Impairment Losses/(Reversals) recognised in the Revaluation Reserve	(154)	-	-	-	-	-	(154)	-
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services	(1,255)	(119)	(121)	-	-	-	(1,495)	-
Derecognition - other	-	-	-	-	-	-	-	-
Derecognition - disposals	1,922	1	-	-	-	-	1,923	-
Other Movements	12	-	-	-	(12)	-	-	-
At 31 March 2017	(14,367)	(3,967)	(139,460)	(37)	(13)	(1)	(157,845)	(931)
NBV as at 1 April 2016	377,815	5,198	77,261	4,808	8,256	6,299	479,637	24,138
NBV as at 31 March 2017	379,014	4,605	70,047	5,015	8,237	4,067	470,985	23,211

Summary of Property, Plant & Equipment (PPE)	Other Land and Buildings	Vehicle, Plant and Equipment	Infrastructure	Community Assets	Surplus Assets	Assets Under Construction	Total PPE Assets	PFI Assets Included In PPE
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
At 1 April 2015	364,373	6,660	201,351	4,845	9,906	16,456	603,591	23,948
Additions	4,362	2,305	4,595	142	-	8,597	20,001	-
Accumulated Depreciation and Impairment written out to GCA	(11,618)	-	-	-	(24)	-	(11,642)	(1,404)
Revaluation increases/(decreases) recognised in the Revaluation Reserve	15,285	-	-	-	651	46	15,982	1,598
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(3,188)	-	-	-	1,000	2	(2,186)	-
Derecognition - Disposals	(3,609)	(40)	-	-	(539)	-	(4,188)	-
Assets reclassified (to)/from Held for Sale	(457)	-	-	-	-	(61)	(518)	-
Other Movements in Cost or Valuation	21,620	(1,181)	-	(142)	(2,738)	(18,740)	(1,181)	-
At 31 March 2016	386,768	7,744	205,946	4,845	8,256	6,300	619,859	24,142
Accumulated Depreciation and Impairments								
At 1 April 2015	(10,043)	(2,573)	(117,978)	(37)	(139)	(608)	(131,378)	(601)
Depreciation Charge for the year	(9,936)	(1,194)	(10,477)	-	(90)	-	(21,697)	(807)
Accumulated Depreciation and Impairment written out to the surplus/ deficit on the provision of services	11,618	-	-	-	23	-	11,641	1,404
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services	(678)	-	(230)	-	-	-	(908)	-
Derecognition - disposals	664	40	-	-	206	-	910	-
Assets reclassified (to)/from Held for Sale	19	-	-	-	-	11	30	-
Other Movements	(597)	1,181	-	-	-	596	1,180	-
At 31 March 2016	(8,953)	(2,546)	(128,685)	(37)	-	(1)	(140,222)	(4)
NBV as at 1 April 2015	354,330	4,087	83,373	4,808	9,767	15,848	472,213	23,347
NBV as at 31 March 2016	377,815	5,198	77,261	4,808	8,256	6,299	479,637	24,138

d) Intangible Assets.

The Intangible asset refers to the Wales Community Care Information System, WCCIS.

Intangible Assets	Intangibles £'000
Cost or Valuation	
At 1 April 2016	5,480
At 31 March 2017	5,480
Accumulated Depreciation and Impairments	
At 1 April 2016	(480)
Depreciation Charge for the year	(625)
At 31 March 2017	(1,105)
NBV as at 1 April 2016	5,000
NBV as at 31 March 2017	4,375

Intangible Assets	Intangibles £'000
Cost or Valuation	
At 1 April 2015	3,840
Additions	1,640
At 31 March 2016	5,480
Accumulated Depreciation and Impairments	
At 1 April 2015	-
Depreciation Charge for the year	(480)
At 31 March 2016	(480)
NBV as at 1 April 2015	3,840
NBV as at 31 March 2016	5,000

e) Sources of finance for Capital Expenditure

2015-16 £'000		2016-17 £'000
(7,084)	Loans	(3,914)
(12,001)	Government grants	(9,568)
(146)	Capital receipts	(2,285)
(1,262)	Revenue contribution	(2,105)
(124)	Healthy Living Contract Capital Liability	-
(5,682)	Other contributions	(527)
(26,299)	Total	(18,399)

f) Revenue Expenditure Funded from Capital under Statute

These relate to capital expenditure that does not result in a tangible non-current asset. They include renovation grants and contributions towards capital expenditure incurred by other parties.

2015-16 £'000		2016-17 £'000
4,658	Revenue Expenditure Funded from Capital under Statute	4,518
(3,948)	Grants and Contributions	(3,736)
710	Total	782

g) Capital financing requirement and the financing of capital expenditure

2015-16 £'000	Capital Financing Requirement	2016-17 £'000
176,010	Opening Capital Financing Requirement	174,706
	Adjustment to Capital Financing Requirement Unsupported Borrowing	
-	Reversal	(259)
	Adjustment to Capital Financing Requirement Unsupported Borrowing	
-	MRP Reversal	13
176,010	Amended Opening Capital Financing Requirement	174,460
	Capital Investment	
21,517	Property, Plant and Equipment	13,881
4,658	Revenue Expenditure Funded from Capital under Statute	4,518
124	Healthy Living Contract Capital Expenditure	-
	Sources of Finance	
(17,681)	Grants & Contributions	(10,095)
(146)	Capital receipts applied	(2,285)
(1,262)	Revenue Contributions	(2,105)
(5,169)	Minimum Revenue Provision	(5,123)
(1,646)	Unsupported Borrowing MRP	(4,534)
(1,086)	Healthy Living Contract MRP	-
(51)	Innovation Centre MRP	(55)
(49)	Crematorium MRP	(50)
(513)	PFI School MRP	(552)
174,706	Closing Capital Financing Requirement	168,060
	Explanation for Movements in Year	
(1,306)	Decrease in Underlying Need to Borrow (supported by government financial assistance)	(1,259)
1,528	Increase/(Decrease) in Underlying Need to Borrow (unsupported by government financial assistance)	(4,534)
(1,013)	Assets acquired under finance leases	(55)
(513)	Assets acquired under PFI Contract	(552)
(1,304)	Increase/(Decrease) in Capital Financing Requirement	(6,400)

h) Capital Grants Received in Advance

The table below shows the breakdown of capital grants received in advance under s.106 planning agreements:

2015-16 £'000		2016-17 £'000
(1,844)	Developers' Contributions - capital element	(2,714)
(1,844)	Total	(2,714)

21. Investment Properties

The following table summarises the movement in the fair value of investment properties over the year:

2015-16 £'000		2016-17 £'000
4,103	Balance at 1 April	5,185
-	- Transferred to Surplus Assets	(45)
-	- Disposals	(80)
1,082	Net gain / (loss) from fair value adjustments	-
5,185	Balance as at 31 March	5,060

22. Short Term Debtors

This represents the monies owed to the Council after making provision for debts that might not be recovered. The main debtors are listed below:

2015-16 £'000		2016-17 £'000
12,177	Central Government Bodies	9,844
4,468	Other Local Authorities	4,717
809	NHS Bodies	246
9,892	Other Entities and Individuals	14,660
27,346	Balance as at 31 March	29,467

The Council collects NNDR payments on behalf of Welsh Government. As at the 31 March 2017, the Council had paid over more cash than it collected, this excess was included in the Balance Sheet as a debtor of £1.414 million. The equivalent for 2015-16 was a debtor of £0.882 million which represented monies not yet paid over by Welsh Government.

23. Assets Held for Sale

2015-16 £'000		2016-17 £'000
7,478	Balance at 1 April	4,035
488	Assets newly classified as held for sale: Property, Plant & Equipment	2,293
	Assets declassified as held for resale: Property, Plant & Equipment	(200)
(1,069)	Revaluation Gain/(Loss)	
(2,862)	Assets Sold	(4,398)
4,035	Balance as at 31 March	1,730

24. Short Term Creditors

These represent monies owed by the Council and are analysed as follows:

2015-16 £'000		2016-17 £'000
(5,832)	Central Government Bodies	(4,199)
(4,998)	Other Local Authorities	(4,491)
(338)	NHS Bodies	(121)
(21,604)	Other Entities and Individuals	(18,499)
(32,772)	Balance as at 31 March	(27,310)

25. Provisions

The Council has two provisions as detailed below:

2015-16 £'000		Expenditure £'000	Increase/ (Decrease) £'000	2016-17 £'000	< 1 yr £'000	> 1 yr £'000
3,145	Insurance (BCBC)	(711)	666	3,100	649	2,451
335	Carbon Reduction Commitment	(340)	273	268	268	-
-	Other provisions	-	297	297	297	-
3,480	Balance as at 31 March	(1,051)	1,236	3,665	1,214	2,451

Insurance Provision (Self-funding / MMI)Self-Fund

The Council has a self-insurance fund. This Insurance Provision has been set aside to meet the estimated cost to the Council of outstanding liability for policy years up to 2016-17 for Employer's Liability, Public Liability and Property. However the actual cost of individual claims and the timing of payments is uncertain. The Council also has an earmarked reserve for Insurance which acts as an additional buffer amount to the fund, over and above the total outstanding liability, to allow for unexpected events, worse than anticipated deterioration in the current reserves and higher than anticipated future losses both in frequency and cost.

Municipal Mutual Insurance (MMI) Limited

Prior to local government reorganisation the former Ogwr Borough Council and Mid Glamorgan County Council's insurance cover was provided by Municipal Mutual Insurance Limited. When this company hit severe financial difficulties both became a creditor under the Scheme of Arrangement, accepting liability to return to MMI some proportion of historical claim payments received from MMI if the Scheme were to trigger. The Board of Directors of MMI 'triggered' MMI's Scheme of Arrangement on 13 November 2012.

Carbon Reduction Commitment Energy Efficiency Scheme

This provision represents the obligation to purchase Carbon Reduction Commitment (CRC) Allowances in relation to carbon dioxide emissions incurred during 2016-17. The payment will be made with the retrospective purchase of allowances in the summer 2017.

26. PFI and Other Long Term Liabilities

2015-16 £'000		Additions in Year £'000	Reduction in year £'000	Moved to Short Term Creditors £'000	2016-17 £'000
18,235	Maesteg School PFI Lease Liability			(595)	17,640
664	Innovation Centre Financial Liability			(60)	604
400	Waste Contract			(50)	350
60	Escrow (Football Club)	10			70
2,400	Welsh Government Loan - Llynfi Valley				2,400
21,759	Balance as at 31 March	10	-	(705)	21,064

The PFI Finance Lease Liability matches the fair value of the fixed asset for the PFI School as at the date the asset came onto the Council's Balance Sheet being £21.898 million (July 2008). This will be written down over the life of the PFI contract by the value of the unitary payment deemed to be the finance lease element each year. For 2016-17, the amount written down was £552,000 and £595,000 has been transferred to Short Term Creditors leaving an outstanding long term liability of £17.640 million at year end.

The Innovation Centre Financial Liability of £0.917 million was recognised in 2009-10 as a loan in substance. This is being written down over the remaining fourteen years of the loan. The amount written down in 2016-17 was £55,000 and £60,000 was transferred to Short Term Creditors resulting in a long term financial liability of £0.604 million at 31 March 2017.

The Waste Contract liability is repayable at £50,000 per annum instalments.

The long term liability for the Football Club represents a fund that will be maintained and increased to allow for the future reinstatement to grass of the two 3G pitches at Bryntirion and Bridgend College – Pencoed at the end of their useful lives.

27. Usable Reserves

The following notes detail the Usable Reserves of the Council:-

a) Useable Capital Receipts Reserve

This represents capital receipts available to finance capital expenditure in future years.

2015-16 £'000		2016-17 £'000
14,534	Balance at 1st April	18,352
3,959	Capital Receipts Received	5,293
5	Mortgage repayments (Council Fund)	4
(146)	Receipts used to finance capital expenditure	(2,285)
18,352	Balance as at 31st March	21,364

b) Earmarked Reserves

The Earmarked Reserves in the Balance Sheet as at 31 March 2017 are detailed below:

Opening Balance 2016-17 £'000	Reserve	Movement during 2016-17		Closing Balance 2016-17 £'000
		Additions/ Re- classification £'000	Drawdown by Directorates £'000	
7,604	Council Fund	356		7,960
	Corporate Reserves:			
1,491	Asset Management Plan	155	(384)	1,262
356	Building Maintenance Reserve	442	(80)	718
631	Capital feasibility fund	(194)	(188)	249
5,833	Capital Programme Contribution	6,193	(646)	11,380
1,950	Change Management	-	(362)	1,588
103	DDA Emergency Works	200	(121)	182
2,500	Digital Transformation	-	(564)	1,936
715	ICT & Finance Systems	710	(157)	1,268
2,035	Insurance reserve	670	(370)	2,335
10,874	Major Claims Reserve	(2,080)	(343)	8,451
	MTFS Budget Contingency	1,528	(528)	1,000
234	Property Disposal Strategy	56	(152)	138
-	Public Realm Reserve	200	-54	146
5,625	Service Reconfiguration	2,536	(58)	8,103
92	Waste Management Contract	-	(88)	4
500	Welfare Reform Bill	-	-	500
32,939	Total Corporate Reserves	10,416	(4,095)	39,260
	Directorate Reserves:			
471	Car Parking Strategy*	(208)	(88)	175
31	Community Safety Reserve	-	-	31
1,331	Directorate Issues*	198	(878)	651
48	Donations Reserves Account	2	-	50
	Human Resources Reserve	25	-	25
-	Local Development Plan IT System	20	-	20
824	Looked After Children	1,000	(788)	1,036
66	Partnership Reserves	-	-	66
76	Porthcawl Regeneration	188	(14)	250
-	Property Reserve	250	-	250
-	Safe Routes to Schools	200	(29)	171
285	School Projects Reserve	168	(22)	431
-	Waste Awareness Reserve	250	-	250
26	Webcasting Reserve	-	(20)	6
1,409	Wellbeing Projects	-	(529)	880
4,567	Total Directorate Reserves	2,093	(2,368)	4,292
2,154	Delegated Schools Balance	-	(1,288)	866
39,660	Total Reserves excluding Equalisation Reserves	12,509	(7,751)	44,418
	Equalisation and Grant Reserves			
-	IFRS Grants	841	-	841
152	Civil Parking Enforcement*	22	-	174
12	Building Control Reserve	3	-	15
201	Election costs	-	-	201
692	Highways Reserve	140	-	832
141	Local Development Plan	55	-	196
3,706	Maesteg School PFI Equalisation	243	-	3,949
349	Special Regeneration Fund*	184	-	533
5,253	Total Directorate Reserves	1,488	-	6,741
44,913	TOTAL EXCLUDING COUNCIL FUND	13,997	(7,751)	51,159
52,517	TOTAL INCLUDING COUNCIL FUND	14,353	(7,751)	59,119

* There are a couple of changes to the 2015-16 balances where previously grouped reserves have been separated out as shown in the table:

Reserve	Original Opening Balance 2015-16 £'000	Reallocation £'000	Amended Opening Balance 2015-16 £'000
Directorate Reserves:			
Car Parking Strategy*	623	(152)	471
Directorate Issues*	1,367	(36)	1,331
Equalisation and Grant Reserves			
Special Regeneration Fund*	313	36	349
Civil Parking Enforcement*	-	152	152
Total Equalisation Reserve	2,303	-	2,303

Council Fund

The transfer to the Council Fund for 2016-17 was £0.356 million. This increased the balance on the Fund to £7.960 million at the 31 March 2017 (£7.604 million at 31 March 2016).

Other Earmarked Reserves

The transfer to Earmarked Balances excluding the Council Fund Balance was £6.246 million in 2016-17 (transfer to Balances of £3.459 million in 2015-16). This was made up of additions to reserves of £12.509 million from Corporate budgets and £1.488 million additions from Directorate budgets and £7.751 million money transferred into the Comprehensive Income and Expenditure Statement to match expenditure within the year. An overview of each earmarked reserve is explained below:-

Corporate Reserves

Asset Management Plan

This has been established to meet the on-going costs of condition surveys and supports the demolition of asset programme.

Building Maintenance Reserve

This reserve is for planned maintenance expenditure on the Council's buildings.

Capital Feasibility Fund

This fund has been established to fund studies for proposed capital projects.

Capital Programme Contribution

This earmarked reserve has been set up as a revenue contribution to the capital programme, to enable schemes to be progressed more quickly to alleviate pressure on the revenue budget and accelerate the realisation of capital receipts.

Change Management

This reserve will meet potential costs associated with corporate capacity requirements to facilitate and progress planned developments linked to achieving budget reductions in the Medium Term Financial Strategy and the Bridgend Change Programme.

DDA Emergency/Prevention Works

This earmarked reserve is to cover the costs of emergency works within schools as well fund a temporary post a 2 year period to ensure Fire Risk Assessments are updated and maintained within schools.

Digital Transformation & ICT Reserve

These two reserves will fund the Digital Transformation of the Council supporting channel shift together with the costs of planned system developments from 2017-18 to 2018-19. It includes developments including the roll out of the cashless catering system.

Insurance Reserve

This reserve is based on the assessment for potential future liabilities including any residual payments from claims relating to the Municipal Mutual Insurance Limited.

Major Claims Earmarked Reserve

This reserve has been created to mainly cover the deficit on the pension fund, major capital contractual claims and mitigate against potential other claims against the Council.

MTFS Budget Contingency

In accordance with MTFS Principle 12, an earmarked reserve was established to provide additional capacity for discretionary use by the Chief Finance Officer to manage inescapable problems with delivery of MTFS savings.

Property Disposal Strategy

This reserve will cover legal, surveying and marketing costs associated with planned disposals to generate capital receipts for the Council

Public Realm Reserve

This reserve will be used for works on highways and other public realm maintenance or renovations of playgrounds for example.

Service Reconfiguration / Severance Costs

This reserve has been established to meet potential costs relating to service remodelling and consequential severance costs as well as service reconfiguration such as the Extra Care provision as outlined in the MTFS 2016-17.

Waste Management Contract

This earmarked reserve is to facilitate the procurement of the next waste collection contract with the current contract expiring in 2017. The small balance will be fully utilised in 2017-18.

Welfare Reform Bill

This reserve has been established to fund the potential impact of increases in demand for services resulting from the Welfare Reform Bill.

Directorate ReservesCar Parking Strategy

This reserve has been established for the up-front costs associated with new initiatives to generate income or reduce costs in relation to car parking.

Community Safety Reserve

This reserve was created from funding received from partner organisations and will be used to cover expenditure on future Community Safety initiatives.

Directorate Issues

This reserve relates to specific Directorate issues anticipated in 2017-18 together with some carried forward amounts from 2016-17. Examples include enhancement to school kitchens and a management information system for Catering, an officer to support the roll out of eProcurement within the Council and support for the Childrens' Advocacy Service.

Donations Reserves

This reserve has been established from various donations over a number of years and will be used on future expenditure in accordance with the original intentions.

Human Resources Reserve

This reserve is to cover the cost of a new module on the Payroll System and the scanning of existing records.

Local Development Plan IT System

This reserve is to purchase specialist software for use in compiling population statistics to inform housing provision and to allow improved public facing access in order to compile representations to the forthcoming Local Development Plan (LDP) review.

Looked After Children Reserve

This reserve has been established to provide for the continuing pressures over the Medium Term Financial Strategy on the Looked After Children budget within Education and Family Support Services.

Partnership Reserves

This reserve will be utilised in 2017-18 for partnership working within the Council.

Porthcawl Regeneration

This reserve has been established to fund up front revenue costs associated with the proposed regeneration of Porthcawl.

Safe Routes to Schools Reserve

This reserve has been created to ensure that there are safe routes to schools following Learner Transport changes.

School Projects Reserve

This reserve covers both school's future projects expenditure and also the associated financing costs of any capital borrowing.

Waste Awareness Reserve

This reserve is to providing funding to promote the changes to the waste management contract and support for the customer contact centre.

Webcasting Reserve

This will be used to continue the programme of broadcasting certain Committee Meetings on the Council's web-site.

Wellbeing Projects

This has been established to allow one off injections of financial resources into service areas to facilitate change/development linked with the Health Service.

Delegated School Balances

These balances represent the cumulative effect of over and under-spending on school delegated budgets not available to the Council.

Analysis of Delegated Schools Balance

2015-16 Closing Balance £'000	School Types	Nos in Category	2016-17 Budget £'000	2016-17 Spend £'000	2016-17 Closing Balance £'000
1,532	Primary Schools	50	45,369	44,903	466
162	Secondary Schools	9	41,776	41,927	(151)
460	Special Schools	2	8,285	7,735	550
2,154	Total	61	95,430	94,565	865

The 2015-16 Closing Balance figure is included within the 2016-17 Budget. This accounting treatment of including the prior year's closing balance in the current year's budget applies solely to Schools and does not apply in any other area of the accounts.

Equalisation and Grant Reserves

IFRS Grant Accounting Reserves

Under proper accounting practice, all grants and contributions should be analysed to see whether there are specific conditions attached to them. When the conditions are actually satisfied the grant is credited to the Comprehensive Income and Expenditure Statement regardless of whether the actual expenditure has been incurred. In these cases the Council can decide to transfer the grant monies to an earmarked reserve to fund future expenditure. In 2016-17, there was £841,000 of new International Financial Reporting Standards (IFRS) Grants that have been transferred to earmarked reserves to ensure the funding is protected in accordance with the original terms and conditions of the grant or contribution. Similarly monies from commuted sums have been placed into a Highways Reserve and income from Civil Parking Enforcement is now also as a specific earmarked reserve.

Equalisation of Spend Reserves

These reserves ensure that expenditure that is incurred in a particular future year is smoothed over the period of the MTFS. These include the costs of elections, the Special Regeneration Fund, the preparation of the Local Development Plan and the Building Control Earmarked Reserves.

Maesteg PFI Equalisation Reserve

As outlined in note 11 above, there is a need for an Equalisation Fund for the Unitary Charges received from Welsh Government for the Maesteg PFI School.

28. Unusable Reserves

The following notes detail the Unusable Reserves of the Council:-

a) Revaluation Reserve (RR)

This reserve stores the accumulated gains on fixed assets held by the Council arising from increases in value as a result of inflation or other factors.

2015-16			2016-17	
£'000	£'000		£'000	£'000
	115,916	Balance at 1 April		127,291
19,280		Upward Revaluation of Assets	8,705	
(3,299)		Downward Revaluation of Assets and Impairment Losses not charged to the Surplus/Deficit on the Provision of Services	(3,942)	
	15,981	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of services		4,763
(2,464)		Difference between fair value depreciation and historical cost depreciation	(3,341)	
(2,142)		Accumulated gains on assets sold or scrapped	(4,010)	
	(4,606)	Amount written off to the Capital Adjustment Account		(7,351)
	127,291	Balance as at 31 March		124,703

b) Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2015-16 £'000		2016-17 £'000
(273,010)	Balance at 1 April	(245,270)
34,330	Actuarial gains or losses on pensions assets and liabilities	1,960
(26,600)	Reversal of Items relating to Retirement Benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(26,140)
20,010	Employer's Pensions Contributions and Direct Payments to Pensioners Payable in the Year	17,000
(245,270)	Balance as at 31 March	(252,450)

c) Capital Adjustment Account (CAA)

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties though there were no material adjustments in 2016-17.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

2015-16			2016-17	
£'000	£'000		£'000	£'000
	196,059	Balance at 1 April		192,078
		Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement :		
(23,087)		Charges for depreciation and impairment of non-current assets	(22,945)	
(3,259)		Revaluation losses on Property, Plant and Equipment	(1,064)	
(710)		Revenue Expenditure funded from Capital Under Statute	(782)	
(5)		Other amounts including Mortgage Payments	(4)	
(3,998)		Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(2,333)	
	(31,059)			(27,128)
	2,464	Adjusting amounts written out to the Revaluation Reserve		3,341
	(28,595)	Net written out amount of the cost of non-current assets consumed in the year		(23,787)
		Capital financing applied in the year:		
146		Use of the Capital Receipts Reserve to finance capital expenditure	2,285	
13,610		Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that has been applied to capital financing	6,486	
8,514		Statutory provision for the financing of capital investment charged against the Council Fund	10,301	
1,262		Capital expenditure charged against the Council Fund	2,105	
	23,532			21,177
	1,082	Movement in the market value of Investment Properties credited to the Comprehensive Income and Expenditure Statement		-
	192,078	Balance as at 31 March		189,468

d) Financial Instruments Adjustment Account (FIAA)

This holds the difference between the amounts charged to income and expenditure in accordance with the Code for applying the transaction costs and assessing the fair cost of loan debts and investments and the amounts charged to the Council Fund Balance in accordance with statute. The full remaining balance on the account for Premiums was paid off during 2015-16. Therefore the balance going forward on this account relates to Lender Option Borrowing Option (LOBO) Loans.

2015-16 £'000			2016-17 £'000	
(3,632)		Balance at 1 April		(739)
76		Premiums / Discounts Adjustments		-
7		Loans / Investments Adjustments		8
2,810		Premiums Paid		-
(739)		Balance as at 31 March		(731)

e) Short Term Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the Council Fund Balance is neutralised by transfers to or from the Account.

2015-16			2016-17	
£'000	£'000		£'000	£'000
	(4,224)	Balance at 1 April		(2,359)
4,224		Settlement or cancellation of accrual made at the end of the preceding year	2,359	
(2,359)		Amounts accrued at the end of the current year	(2,793)	
		Amounts by which officer remuneration charged to the Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirements		(434)
	1,865			
	(2,359)	Balance as at 31 March		(2,793)

29. Pensions liabilities, IAS 19 disclosures

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

This Council participates in the Rhondda Cynon Taf County Borough Council Pension Fund, which is administered under the Regulations governing the Local Government Pension Scheme. This is a defined benefit scheme, meaning that the Council and employees pay contributions into a fund, at a rate determined by the Fund's Actuary based on triennial actuarial valuations, which aims to balance 100% of pension liabilities with investment assets.

Further information can be found in Rhondda Cynon Taf CBC Pension Fund's Annual Report which is available upon request from the Director of Finance, Rhondda Cynon Taf County Borough Council, Bronwydd, Porth, Rhondda, Rhondda Cynon Taf.

<http://www.rctpensions.org.uk>

Any award of discretionary post-retirement benefits upon early retirement is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. No investment assets are built up to meet these pension liabilities, and cash has to be generated to meet the actual pension payments as they fall due.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields, and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the Council Fund with the amounts required by statute as described in the accounting policies note.

The disclosures required for 2016-17 include information provided by the pension administrators, Rhondda Cynon Taff CBC and Aon Hewitt Associates Limited as the pension's actuary.

Transactions Relating to Post-employment Benefits

The cost of retirement benefits is recognised in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made against Council Tax is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out of the Council Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the Council Fund balance via the Movement in Reserves Statement during the year:-

Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total	Comprehensive Income & Expenditure Statement	Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
£m	£m	£m	£m		£m	£m	£m	£m
2015-16	2015-16	2015-16	2015-16	Cost of Services :	2016-17	2016-17	2016-17	2016-17
17.56	0.00	0.00	17.56	Service cost comprising:	17.59	0.00	0.00	17.59
0.59	0.00	0.00	0.59	current service cost	0.50	0.00	0.00	0.50
0.00	0.00	0.00	0.00	past service costs	0.00	0.00	0.00	0.00
				(gain)/loss from settlements				
				Financing & Investment				
				Income & Expenditure :-				
8.05	0.25	0.15	8.45	Net interest expense	7.65	0.25	0.15	8.05
				Total Post Employment				
				Benefit Charged to the				
				Surplus or Deficit on the				
26.20	0.25	0.15	26.60	Provision of Services	25.74	0.25	0.15	26.14
				Other Post Employment				
				<i>Remeasurements of the net</i>				
				<i>defined benefit liability</i>				
				<i>comprising:</i>				
(1.54)	0.00	0.00	(1.54)	Return on plan assets (excluding	(62.39)	0.00	0.00	(62.39)
				the amount included in the net				
				interest expense)				
(26.08)	(0.26)	(0.15)	(26.49)	Actuarial (gains) / losses due to	138.41	0.67	0.38	139.46
				changes in financial assumptions				
				Actuarial (gains) / losses due to				
0.00	0.00	0.00	0.00	changes in demographic	(28.69)	(0.20)	(0.12)	(29.01)
				assumptions				
(6.08)	(0.14)	(0.08)	(6.30)	Actuarial (gains) / losses due to	(49.93)	(0.06)	(0.03)	(50.02)
				liability experience				
				Total Post-employment				
				Benefits charged to the				
				Comprehensive Income and				
(33.70)	(0.40)	(0.23)	(34.33)	Expenditure Statement	(2.60)	0.41	0.23	(1.96)
				Movement in Reserves				
				Statement:-				
(26.20)	(0.25)	(0.15)	(26.60)	Reversal of net charges made for	(25.74)	(0.25)	(0.15)	(26.14)
				retirement benefits in accordance				
				with IAS 19				
				Actual amount charged against				
				the Council Fund Balance for				
				pensions in the year				
19.09	0.49	0.43	20.01	Employers' Contributions payable	16.12	0.48	0.40	17.00
				to the scheme				
(21.98)	(0.49)	(0.43)	(22.90)	Retirement Benefits Paid Out	(22.03)	(0.48)	(0.40)	(22.91)

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amounts included in the Balance sheet arising from the Council's obligation in respect of its defined benefit plan is as follows:-

Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total		Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
£m 2015-16	£m 2015-16	£m 2015-16	£m 2015-16		£m 2016-17	£m 2016-17	£m 2016-17	£m 2016-17
689.16	7.63	4.56	701.35	Present value of defined benefit obligation	772.59	7.81	4.54	784.94
(456.08)	0.00	0.00	(456.08)	Fair Value of Plan Assets	(532.49)	0.00	0.00	(532.49)
233.08	7.63	4.56	245.27	Net liability arising from defined benefit obligation	240.10	7.81	4.54	252.45

Reconciliation of the Movements in the Fair Value of the Scheme (Plan) Assets

£m 2015-16		£m 2016-17
438.85	Opening fair value of scheme assets at 1 April	456.08
14.03	Interest income on assets	15.49
	Remeasurement gain/(loss):	
	The return on plan assets, excluding the amount included in the net	
1.54	interest expense	62.39
19.09	Contributions by Employer	16.12
4.55	Contributions by Participants	4.44
(21.98)	Net Benefits Paid Out	(22.03)
456.08	Balance as at 31 March	532.49

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total		Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
£m	£m	£m	£m		£m	£m	£m	£m
2015-16	2015-16	2015-16	2015-16		2016-17	2016-17	2016-17	2016-17
698.52	8.27	5.07	711.86	Opening balance at 1 April	689.16	7.63	4.56	701.35
17.56	0.00	0.00	17.56	Current Service Cost	17.59	0.00	0.00	17.59
22.08	0.25	0.15	22.48	Interest Cost	23.14	0.25	0.15	23.54
4.55	0.00	0.00	4.55	Contributions from scheme participants	4.44	0.00	0.00	4.44
0.00	0.00	0.00	0.00	Remeasurement (gains) and losses:	0.00	0.00	0.00	0.00
(26.08)	(0.26)	(0.15)	(26.49)	Actuarial gains / losses arising from changes in financial assumptions	138.41	0.67	0.38	139.46
0.00	0.00	0.00	0.00	Actuarial gains / losses arising from changes in demographic assumptions	(28.69)	(0.20)	(0.12)	(29.01)
(6.08)	(0.14)	(0.08)	(6.30)	Actuarial gains / losses arising from changes in liability experience	(49.93)	(0.06)	(0.03)	(50.02)
0.59	0.00	0.00	0.59	Past Service Cost	0.50	0.00	0.00	0.50
(21.98)	(0.49)	(0.43)	(22.90)	Benefits Paid	(22.03)	(0.48)	(0.40)	(22.91)
0.00	0.00	0.00	0.00	Liabilities extinguished on settlements	0.00	0.00	0.00	0.00
689.16	7.63	4.56	701.35	Balance as at 31 March	772.59	7.81	4.54	784.94

Local Government Pension Scheme assets comprised:

Fair Value of Scheme Assets 2015-16 £m	Asset Split 2015-16 %		Fair Value of Scheme Assets 2016-17 £m	Asset Split 2016-17 %
15.826	3.47	Cash and cash equivalents	11.036	2.07
		Equity Instruments: <i>by industry type (FTSE Sector)</i>		
8.483	1.86	Oil & Gas	9.928	1.86
6.111	1.34	Basic Materials	13.559	2.55
37.034	8.12	Industrials	49.307	9.26
38.539	8.45	Consumer Goods	50.380	9.46
25.586	5.61	Health Care	31.902	5.99
49.393	10.83	Consumer Services	49.669	9.33
2.052	0.45	Telecommunications	1.615	0.30
4.834	1.06	Utilities	2.916	0.55
58.013	12.72	Financials	64.845	12.18
31.060	6.81	Technology	50.835	9.55
0.000	0.00	Real Estate	0.608	0.11
54.047	11.85	Pooled Equity Investment Vehicles	64.564	12.12
315.152	69.10	Sub-total equity	390.128	73.26
		Bonds: <i>By Sector</i>		
50.351	11.04	Corporate	53.845	10.11
44.787	9.82	Government	47.223	8.87
95.138	20.86	Sub-total bonds	101.068	18.98
		Property: <i>By Type</i>		
7.525	1.65	Retail	7.686	1.44
3.785	0.83	Office	4.085	0.77
6.932	1.52	Industrial	6.959	1.31
11.722	2.57	Other Commercial	11.528	2.17
29.964	6.57	Sub-total property	30.258	5.69
456.080	100.00	Total assets	532.490	100.00

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

Both the Local Government Pension Scheme (LGPS) and discretionary benefits liabilities have been estimated by Aon Hewitt, an independent firm of actuaries, in accordance with IAS 19.

The significant assumptions used by the Actuary were:

2015-16 % pa		2016-17 % pa
3.40	Discount rate	2.60
1.80	Rate of pension increases	2.00
3.30	Rate of salary increases	3.25
Years		Years
	<i>Mortality Assumptions:</i>	
	Longevity at 65 for current pensioners :-	
23.10	Men	22.80
26.00	Women	24.90
	Longevity at 65 for future pensioners :-	
25.30	Men	25.00
28.40	Women	27.20

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies of the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Increase in Assumption 2015-16 £m	Decrease in Assumption 2015-16 £m		Increase in Assumption 2016-17 £m	Decrease in Assumption 2016-17 £m
(13.17)	13.42	Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(14.08)	14.34
2.89	(2.86)	Rate of increase in salaries (increase or decrease by 0.1%)	2.81	(2.79)
10.51	(10.33)	Rate of increase in pensions (increase or decrease by 0.1%)	11.50	(11.31)
17.51	(17.55)	Longevity (increase or decrease in 1 year)	22.98	(22.83)

Impact on the Council's Cash Flows

The funded nature of the LGPS requires the Employer and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. The Actuary will be carrying out the next Actuarial Valuation as at 31 March 2019. The current Employer's contribution rate to achieve a funding level of 100% of scheme liabilities will be reviewed at this point. Consequently, whilst there is a significant shortfall (liability) between the benefits earned by past and current employees and the resources the Council has set aside to meet them, the statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

The expected employer's contributions to the Local Government Pension Scheme for the accounting period ending 31 March 2018 are:-

	2017-18 £m
Local Government Pension Scheme	29.18
LGPS Unfunded	0.20
Teachers Unfunded	0.11
Total	29.49

The weighted average duration of the defined benefit obligation for the scheme members is 18.4 years, which is the same as for 2015-16.

Teachers

In 2016-17, the Council paid £8.1 million (£7.6 million for 2015-16) to the Teachers Pensions Agency in respect of teachers' pension costs. The increase was as a result of the continued impact of an increase in the employer's contribution rate in 2015-16. In addition, the Council is responsible for all pension payments relating to added years awarded, together with the related increases. In 2016-17, these amounted to £0.451 million (£0.5 million for 2015-16).

30. Financial Instruments Disclosures

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, equity instruments, or a contractual right to receive cash or another financial assets, or an obligation to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. The financial assets held by the Council during the year are classed as Loans and Receivables, which are assets that have fixed or determinable payments but are not quoted in an active market. They are carried in the balance sheet at amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

Short term Investments and Cash and Cash Equivalents (included in Current Assets) in the Balance Sheet are detailed below:

31 March 2016		31 March 2017
Balance Sheet £'000	Short Term Investments and Cash and Cash Equivalents	Balance Sheet £'000
14,543	Short Term Investments (< 1 year)*	26,572
14,543	Total Short Term Investments	26,572
9,502	Cash & Cash Equivalents (Deposits)	3,250
(2,320)	Cash in Hand/Overdrawn	(1,586)
7,182	Total Cash & Cash Equivalents	1,664
5,771	Short Term Trade Receivables (Debtors)	7,713
27,496	Total Current Financial Assets	35,949

*The total short term investments include £10,334 representing accrued interest in long term investments in addition to short term interest of £62,044. The £7.713 million Trade Receivables

(Debtor) figure above is for goods and services delivered and an age debt analysis of these trade debtors is shown below in the Credit Risk section. This figure is included in the Short Term Debtors figure of £29.370 million in the balance sheet as debtors that do not meet the definition of a financial liability, Note 22 provides more detailed information of the total short term debtors figure.

International Financial Reporting Standard (IFRS) 13 Fair Value defines the fair value of a financial asset as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair values only need to be disclosed for the Council's long term financial assets as the fair value of our short-term instruments, including trade receivables, are assumed to approximate to the carrying amount, so fair values have not been disclosed above. There are 3 levels in the fair value hierarchy for calculations, however due to the type of financial assets the Council hold the only level applicable at 31 March 2017 is level 2, where the fair value is calculated from inputs other than quoted prices that are observable for the asset – this is interest rates or yields for similar instruments.

There were two new long term investments in 2016-17 both for 4 years totalling £4 million and the Long Term Investment figures in the balance sheet is £4.003 million (£2.007 million at 31 March 2016). The Fair Value (Level 2) is £4.037 million which has been calculated by discounting at the market rate for a similar instrument with equivalent remaining term to maturity on 31 March 2017.

31 March 2016			Fair Value Level	31 March 2017	
Balance Sheet £'000	Fair Value £'000			Balance Sheet £'000	Fair Value £'000
2,007	2,011	Long Term Investments	2	4,000	4,037

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council. Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure Section of the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings that the Council has the amount presented in the Balance Sheet is the outstanding principal repayable together with any accrued interest and interest charged to the Comprehensive Income and Expenditure Statement for the year according to the loan agreement.

The Council has three Lender's Option Borrower's Option loans (LOBOs) with stepped interest rates. An effective interest rate has been used for these so that these are re-measured amounts for the LOBOs on the Balance Sheet.

Where premiums and discounts on early repayment have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the Council Fund to be spread over future years. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the Council Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

The Council's non-derivative financial liabilities are carried in the Balance Sheet at amortised cost split between short and long term. The Short Term Borrowing in the Balance Sheet is detailed below:

31 March 2016 £'000	Short Term Borrowing & Other Short Term Liabilities	31 March 2017 £'000
(278)	Accrued Interest Long Term Loans	(272)
(57)	Escrow (Bocam Park) Short Term	(60)
(229)	Escrow (Wind Farms) Short Term	(230)
(346)	Education/Social Services Trust Funds	(340)
(50)	Other Trust Funds	(50)
(960)	Short Term Borrowing	(952)
(5,103)	Short Term Trade Payables (Creditors)	(5,245)
(1,176)	Other Short Term Financial Liabilities (Creditors)	(404)
(7,239)	Total Current Financial Liabilities	(6,601)

The short term Trade Payables (Creditors) figure £5.245 million relates to trade payables for goods and services received. 45% of this is not overdue for payment and 55% is due within 6 months. The other short term financial liabilities figure of £0.407 million represents monies held by the Council on behalf of different third parties.

The value of the short term liability relating to Other Long Term Liabilities for 2016-17 is made up as follows:-

31 March 2016 £'000	Short Term Liability relating to Other Long Term Liabilities	31 March 2017 £'000
(552)	Maesteg School PFI Lease Liability	(595)
(55)	Innovation Centre Financial Liability	(60)
(50)	Waste Contract (MREC)	(50)
(657)	Total	(705)

The £5.245 million, £0.407 million and £0.705 million shown in the two tables above are all included in the Short Term Creditors Balance Sheet figure of £27.213 million which also includes creditors that do not meet the definition of a financial liability so is not detailed here. Note 24 provides more detailed information of the total short term creditors figure.

Under IFRS 13 the fair value of a financial liability is defined as the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values only need to be disclosed for the Council's long term financial liabilities as the fair value of our short-term instruments including trade payables are assumed to approximate to the carrying amount so fair values have not been disclosed above. There are 3 levels in the fair value hierarchy for calculations, however due to the type of financial liabilities the Council holds the only level applicable to the Council at 31 March 2017 is level 2 where the fair value is calculated from inputs other than quoted prices that are observable for the asset or liability – this is interest rates or yields for similar instruments.

The fair value of the long term financial instruments have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2017, which provides an estimate of the value of payments in the future in today's terms, using the following methods and assumptions:

- The fair value of Public Works Loan Board (PWLB) have been discounted at the market rates for local authority loans of the same remaining term to maturity at the 31 March.
- The value of "Lender's Option Borrower's Option" (LOBO) loans have been increased by the value of the embedded options. Lender's options to propose an increase to the interest rate on the loan have been valued according to a proprietary model for Bermudan cancellable swaps. Borrower's contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumption that lenders will only exercise their options when market rates have risen above the contractual loan rate.

- The fair value of other long term financial liabilities have been calculated by discounting the contractual cash flows (excluding service charge elements) at the appropriate AA rated corporate bond yield.

The long term borrowing figure in the balance sheet of £97.432 million is made up as follows:

31 March 2016				Fair Value Level	31 March 2017		
Principal Sum Outstanding £'000	Balance Sheet £'000	Fair Value £'000			Principal Sum Outstanding £'000	Balance Sheet £'000	Fair Value £'000
(77,617)	(77,617)	(103,678)	PWLB (long term)	2	(77,617)	(77,617)	(115,604)
(77,617)	(77,617)	(103,678)	Total PWLB debt		(77,617)	(77,617)	(115,604)
(19,250)	(19,817)	(29,878)	LOBO's	2	(19,250)	(19,815)	(33,208)
(19,250)	(19,817)	(29,878)	Total Market Loans		(19,250)	(19,815)	(33,208)
(96,867)	(97,434)	(133,556)	Total Long Term Borrowing		(96,867)	(97,432)	(148,812)

PFI and other long term liabilities figure in the balance sheet of £21.064 million are detailed below:

31 March 2016		Other Long Term Liabilities	Fair Value Level	31 March 2017	
Balance Sheet £'000	Fair Value £'000			Balance Sheet £'000	Fair Value £'000
(18,235)	(26,499)	Maesteg PFI Lease Liability	2	(17,640)	(26,854)
(664)	(961)	Innovation Centre Financial Liability	2	(604)	(887)
(400)	(406)	Waste Contract (MREC)	2	(350)	(378)
(60)	(60)	Escrow (Football Club)	Cost	(70)	(70)
(2,400)	(2,400)	Llynfi	Cost	(2,400)	(2,400)
(21,759)	(30,326)	Total Other Long Term Liabilities		(21,064)	(30,589)

The fair value of financial liabilities held at amortised cost is higher than their balance sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are set off against each other where the Council has a legally enforceable right to set off and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The table below shows those instruments that have been offset on the balance sheet. The Council had no other financial assets or liabilities subject to an enforceable master netting arrangement or similar agreement.

31 March 2016 Gross Assets (Liabilities) £000	Offsetting of Financial Assets and Liabilities	31 March 2017 Gross Assets (Liabilities) £000
1,974	Bank Accounts in Credit	1,920
1,974	Total Financial Assets	1,920
(2,229)	Bank Overdrafts	(2,012)
(2,229)	Total Financial Liabilities	(2,012)
(255)	Net Position on Balance Sheet	(92)

Financial Instruments – Gains and Losses

The gains and losses recognized in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

31 March 2016				31 March 2017		
Financial Liabilities Amortised Cost £'000	Financial Assets Loans & Receivables £'000	Total £'000		Financial Liabilities Amortised Cost £'000	Financial Assets Loans & Receivables £'000	Total £'000
6,049	-	6,049	Interest Expense	6,036	-	6,036
6,049	-	6,049	Interest Payable and similar charges	6,036	-	6,036
-	(903)	(903)	Interest Income	-	(942)	(942)
-	(903)	(903)	Interest and Investment Income	-	(942)	(942)
6,049	(903)	5,146	Net (gain)/loss for the year	6,036	(942)	5,094

Financial Instruments – Risk

The procedures for risk management are set out through a legal framework set out in the Local Government Act 2003 and the associated regulations. The Council has adopted CIPFA's Code of Practice on Treasury Management (and subsequent amendments) and complies with The Prudential Code for Capital Finance in Local Authorities (both revised in November 2011).

As part of the adoption of the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks. The Council meeting of the 10 March 2016 accepted the Treasury Management Strategy 2016-17 and the Treasury Management and Prudential Indicators.

The Treasury Management Strategy includes an Annual Investment Strategy in compliance with the Welsh Government's Guidance on Local Government Investments. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Management Strategy and its Treasury Management Practices seek the highest rate of return consistent with the proper levels of security and liquidity so as to achieve a suitable balance between risk and return or cost. The Council also conducts a mid-year review of its treasury management policies, practices and activities and any revisions of the Investment Strategy to enable increased flexibility in an ever changing financial market and investment opportunities available will be approved by Council. Actual performance is also reported annually to Members in the form of the Annual Treasury Management Outturn Report which is reviewed by Audit Committee.

The Council's activities expose it to a variety of financial risks, the key risks are:-

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Council;
- **Liquidity risk** – the possibility that the Council might not have funds available to meet its commitments to make payments;
- **Market risk** - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates movements.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined in the Investment Strategy contained within the Treasury Management Strategy.

The Council manages credit risk by ensuring that investments are only placed with organisations of high credit quality. These include entities with a minimum long-term credit rating of A- that are domiciled in the UK or a foreign country with a minimum sovereign rating of AA+, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice. Overseas subsidiaries of foreign banking groups will normally be assessed according to the country of domicile of the parent organisation.

Cipfa's Code of Practice for Treasury Management requires all local authorities to conduct a mid-year review of its treasury management policies, practices and activities. As a result of this review it was not deemed necessary for the Council to make any major changes to its Investment Strategy.

Unsecured investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail, whereas secured investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency and means that they are exempt from bail-in. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments. The Annual Investment Strategy states which investments the Council may use for the prudent management of its treasury balances during the financial year under the heads of Specified Investments and Non-Specified Investments.

Credit ratings are obtained and monitored by the Council's treasury advisers who notify changes in ratings as they occur. They use long-term credit ratings from the three main rating agencies Fitch Ratings Ltd., Moody's Investors Service and Standard & Poor's Financial Services to assess the risk of investment default. The lowest available counterparty credit rating will be used to determine credit quality, unless an investment specific rating is available. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard is therefore given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

The Council's primary objective for the management of its investments is to give priority to the security and liquidity of its funds before seeking the best rate of return. The counterparty limits were constantly reviewed and where market conditions dictated, the limit was dropped. No breaches of the Council's counterparty criteria occurred during 2016-17 and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Council's investments outstanding principal at 31 March 2017 totalled £33.75 million as detailed below and shown in the balance sheet as Long Term Investments (£4.003 million), Short Term Investments (£26.572 million) and included within Cash and Cash Equivalents (£3.250 million). The maximum exposure to credit risk in relation to its investments in banks and building societies cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare

for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2017 that this was likely to crystallise. The table below summarises the credit risk exposures of the Council's investment portfolio by credit rating (based on the lowest long term rating) and the remaining time to maturity:

Counterparty Category	Credit Rating	Instant Access Deposit Accounts £'000	Notice Period Deposit Account £'000	Deposits Maturing Within 1 Month £'000	Deposits Maturing Within 2 to 3 Months £'000	Deposits Maturing Within 4 to 6 Months £'000	Deposits Maturing Within 7 Months to 1 Year £'000	Deposits Maturing Within 3 to 4 Years	Total £'000
Bank	AA-	2,250							2,250
Bank	A	1,000	2,000		2,000	1,000			6,000
Local Authorities	AA				5,000		2,000		7,000
Local Authorities unrated					2,000	4,500	2,000	4,000	12,500
Building Societies	A			4,000					4,000
Building Societies unrated				1,000	1,000				2,000
Total		3,250	2,000	5,000	10,000	5,500	4,000	4,000	33,750

As at 31 March 2016 the credit risk exposures were:

Counterparty Category	Credit Rating	Instant Access Deposit Accounts £'000	Notice Period Deposit Account £'000	Deposits Maturing Within 1 Month £'000	Deposits Maturing Within 2 to 3 Months £'000	Deposits Maturing Within 4 to 6 Months £'000	Deposits Maturing Within 7 Months to 1 Year £'000	Deposits Maturing Within 1 to 2 Years	Total £'000
Bank	AA-	500							500
Bank	A	1,000	2,000						3,000
Local Authorities	AA						2,000		2,000
Local Authorities unrated				10,000	5,500		2,000	2,000	19,500
Building Societies	A								-
Building Societies unrated					1,000				1,000
Total		1,500	2,000	10,000	6,500	-	4,000	2,000	26,000

The Council does not generally allow credit for its customers (trade debtors) such that all the trade debtors are recognised as short term, however, £4.883 million of the £7.713 million balance (shown above in financial assets) is past its due date for payment. The past due but not impaired amount can be analysed by age as shown in the table below:

31 March 2016 £'000	Trade Debtors Past Due but not impaired	31 March 2017 £'000
923	Less than three months	3,169
582	Three to six months	679
343	Six months to one year	279
541	More than one year	756
2,389	Total	4,883

Liquidity risk

The Council manages its liquidity risk through its cash-flow management to ensure that cash is available when required. It has ready access to instant access deposit accounts, overdraft facilities and borrowing from the Money Markets or other local authorities to cover any day to day cash flow need. In addition the Public Works Loan Board (PWLB) provides access to borrowing at favourable rates. The Council arranges fixed term loans and investments with a range of maturity dates within the framework and indicators approved each year. There is no perceived risk that the Council will be unable to raise finance to meet its commitments, instead the risk relates to replenishing a significant proportion of its borrowings at a time of unfavourable interest rates.

A key parameter used to address liquidity risk is the Treasury Management Indicator which limits the maturity structure of fixed rate borrowing. This is the amount of projected borrowing that is fixed rate, maturing in each period as a percentage of total projected fixed rate borrowing. This indicator is set to control the Council's exposure to refinancing risk and has been set to allow for the possible restructuring of long term debt where this is expected to lead to an overall saving or reduction in risk.

Maturity structure of fixed rate borrowing	Upper Limit % 2016-17	Lower Limit 2016-17	Actual % 31 March 2017	Principal Outstanding £'000 31 March 2017
Less than one year	50	-	-	-
Between 1 and 2 years	25	-	-	-
Between 2 and 5 years	50	-	-	-
Between 5 and 10 years	60	-	12.47	12,079
More than ten years	100	40	67.66	65,538
Uncertain date *	-	-	19.87	19,250
Total			100.00	96,867

Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer term risk to the Council relates to managing the exposure to replacing all financial instruments therefore including longer term financial liabilities as they mature. The following table details the maturity of all the Council's financial liabilities based on the balance sheet value and includes all trade creditors and other creditors classed as financial liabilities which are due to be paid in less than a year.

31 March 2016 £'000	Maturity Analysis Financial Liabilities	31 March 2017 £'000
(7,897)	Less than one year	(7,310)
(705)	Between one and two years	(756)
(4,878)	Between two and five years	(5,078)
(14,510)	Between five and ten years	(17,575)
(79,282)	More than ten years	(75,271)
(19,817)	Uncertain date*	(19,815)
(127,089)	Total Financial Liabilities	(125,805)

* The £19.250 million (19.87%) and £19.815 million in the two tables above showing an uncertain date relates to Lender's Option Borrower's Option (LOBO) loans which may be re-scheduled in advance of their maturity date of 2054. The LOBO rate and term may vary in the future depending upon the prevailing market rates, the lender exercising their option to increase rates at one of the bi-annual trigger points (the next trigger date being 24 July 2017) and therefore, the Council being given the option to accept the increase or to repay the loan without incurring a penalty. Due to current low interest rates, the Council is not anticipating that this will occur during 2017-18 however in the unlikely

event that the lender exercises its option the Council is likely to repay these loans. The maturity date is therefore uncertain.

Market Risk

The Council is exposed to the risk that financial loss could potentially occur as a result of changes in such measures as interest rate movements, market prices or foreign currency exchange rates. The Council is not exposed foreign exchange risk (loss arising from movements in exchange rates) as borrowing and investments are only carried out in sterling. Price risk (financial gains or losses arising from movement in the prices of financial instruments) is also not applicable to the Council as, whilst the Council's Annual Investment Strategy allows investments in instruments such as bank certificates of deposit and Government Bonds, the Council currently invests in instruments where the sum returned on maturity is the same as the initial amount invested. Therefore only interest rate risk is applicable which is detailed below.

Interest rate risk

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- borrowings at variable rates – the interest charged to revenue within the Comprehensive Income and Expenditure Statement will rise;
- borrowings at fixed rates – the fixed rate protects the Council from increased interest charges as an equivalent loan would now cost more. The fair value of the borrowing (liability) will fall;
- investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- investments at fixed rates – the fixed rate prevents the Council from receiving higher investment income from the same principal invested. The fair value of the investment (asset) will fall

The Council has a number of strategies for managing interest rate risk. The Treasury Management Strategy draws together the Council's Treasury Management and Prudential indicators and its expected treasury operations, including an expectation of interest rate movements. From this, an indicator is set which provides maximum limits for fixed and variable interest rate exposure:-

	Upper Limit TMS 2016-17 £m	Revised Projection TMS 2017-18 £m	Actual Principal Outstanding 31 March 2017 £m
Total Projected Principal Outstanding on Borrowing	96.87	96.87	96.87
Total Projected Principal Outstanding on Investments(including cash/cash equivalents deposits)	12.00	30.00	33.75
Net Principal Outstanding	84.87	66.87	63.12
Fixed interest rates (net principal) exposure	140.00	140.00	49.12
Variable interest rates (net principal) exposure	50.00	50.00	14.00

The Council's investments classed as 'loans and receivables' and loans borrowed are not carried at fair value on the balance sheet, so changes in their fair value will not impact on the Comprehensive Income and Expenditure Statement, however, changes in interest payable and receivable on variable rate borrowings and investments does and will be posted to the Surplus or Deficit on the Provision of Services. The Council monitors market and forecast interest rates within the year to adjust exposures appropriately, to allow any adverse changes to be accommodated. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans may be repaid early to limit exposure to losses. According to this strategy, at 31 March 2017, if there had been a 1% change in interest rates with all other variables held constant, the financial effect would be approximately:

	Estimated £'000 + 1%	Estimated £'000 -1%
Interest payable on variable rate borrowings	132	0
Interest receivable on variable rate investments	(229)	229
Impact on Surplus or Deficit on Provision of Services	(97)	229

The figures for an approximate impact of a 1% fall in interest rates for borrowing are not the same figures as the 1% increase (but reversed) as the variable rate borrowing relates to our LOBO loans where it is assumed that the lender would not exercise their option if there was a fall in interest rates.

31. Post Balance Sheet Events

There are no Post Balance Sheet Events.

32. Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

As at the 31 March 2017, the Council had an ongoing claim relating to land that was compulsory purchased by the Council for a replacement of a school building. The method of calculating the compensation award has been challenged and there is ongoing litigation. In the event that the landowner is successful a separate process will commence to determine the value of the land. At this time, therefore, the value of any potential future compensation that might or might not be due is unknown and as such is being disclosed as a contingent liability within the accounts.

Halo Leisure, Bridgend County Borough Council's Leisure Services Partner, is an admitted body to the Rhondda Cynon Taf Local Government Pension Fund. A formal admission agreement is in place between the Council and Halo Leisure, a registered Charity and Social Enterprise, which governs the relationship and the financial terms of participation.

For employees who were previously employed by Bridgend CBC and have been transferred to Halo Leisure, the admission agreement states that at the point of transfer any accrued pension liabilities relating to the members scheme membership prior to the commencement date is assumed to be 100% funded. Halo Leisure will only be responsible for the increase in liabilities from the commencement date with the Council acting as guarantor for the previously accrued liabilities at the point of transfer.

Similarly Awen Cultural Trust is also an admitted body to the Rhondda Cynon Taf Government Pension Fund with the same arrangements as for Halo Leisure. The Council is acting as guarantor for any accrued pension liabilities at the point of transfer of Bridgend CBC staff to the Trust.

Notes to the Cash Flow Statement

33. Adjustments for Non-Cash Movements

2015-16 £'000		2016-17 £'000
(26,342)	Depreciation & Impairment of Assets	(24,009)
10,071	Movement in Stock, Debtors & Creditors	8,234
(6,590)	Pension Fund Adjustments	(9,140)
(1,056)	Provisions	(185)
(6,140)	Disposal of Non Current Asset	(6,342)
1,082	Changes in Fair Value of Investment Property	-
6	Other non cash movements	-
(28,969)	Adjustments to net deficit on the provision of services for non-cash movements	(31,442)

34. Operating Activities

The cash flows for operating activities include the following items:-

2015-16 £'000		2016-17 £'000
(13,599)	Cash Flow on Revenue Activities	(14,859)
4,545	Interest Paid	4,578
1,503	Interest element of finance lease and PFI rental payments	1,460
(880)	Interest Received	(929)
(8,431)	Net Cash Flows from Operating Activities	(9,750)

35. Investing Activities

The cash flows for investing activities include the following items:-

2015-16 £'000		2016-17 £'000
21,517	Purchase of Property, Plant and Equipment and Investment Property	13,881
5,523	Purchase / (Proceeds) from Short Term Investments	14,025
(3,959)	Proceeds from sale of Property, Plant and Equipment and Investment Property	(5,292)
23,081	Net Cash Flows from Investing Activities	22,614

36. Financing Activities

The cash flows for financing activities include the following items:-

2015-16 £'000		2016-17 £'000
(3,971)	Cash Receipts of short and long term borrowing	(10,200)
(15,598)	Other Receipts from financing activities	(7,356)
1,500	Repayments of short and long term borrowing	10,210
2,810	Repayment of Premiums on loans	-
(15,259)	Net Cash Flows from Financing Activities	(7,346)

Independent Auditor's Report to the Members of the Audit Committee of Bridgend County Borough Council

I have audited the accounting statements and related notes of Bridgend County Borough Council for the year ended 31 March 2017 under the Public Audit (Wales) Act 2004. Bridgend County Borough Council's accounting statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet and the Cash Flow Statement. The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2016-17 based on International Financial Reporting Standards (IFRSs).

Respective responsibilities of the responsible financial officer and the Auditor General for Wales

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 26, the responsible financial officer is responsible for the preparation of the statement of accounts, which gives a true and fair view.

My responsibility is to audit the accounting statements and related notes in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the accounting statements

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements and related notes sufficient to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to Bridgend County Borough Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the responsible financial officer and the overall presentation of the accounting statements and related notes.

In addition, I read all the financial and non-financial information in the Narrative Report to identify material inconsistencies with the audited accounting statements and related notes and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the accounting statements of Bridgend County Borough Council

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of Bridgend County Borough Council as at 31 March 2017 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2016-17.

Opinion on other matters

In my opinion, the information contained in the Narrative Report is consistent with the accounting statements and related notes.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept;
- the accounting statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit;
- the Governance Statement does not reflect compliance with guidance.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Bridgend County Borough Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

**For and on behalf of
Huw Vaughan Thomas
Auditor General for Wales
24 Cathedral Road
Cardiff CF11 9LJ
29 September 2017**

The maintenance and integrity of Bridgend County Borough Council's website is the responsibility of the Accounting Officer/Client Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Glossary Of Terms

Accrual

An accrual is a sum shown in the accounts representing income or expenditure for the accounting period but which was not actually received or paid as at the date of the balance sheet.

Actuary

An actuary is a person who works out insurance and pension premiums, taking into account factors such as life expectancy.

Amortisation

Reduction in value of capital expenditure which has not created an asset, through charges to revenue.

Audit

An audit is an independent examination of the Council's accounts.

Balance Sheet

This is a statement of our assets, liabilities and other balances at the date of the end of the financial year, 31 March.

Budget

A budget (or estimate) is a plan of income and spending, based upon which council tax is set. Actual expenditure and income is subsequently monitored against this plan.

Capital expenditure

Capital expenditure is spending on fixed assets. These are assets that will be used for several years in the provision of services and are items such as buildings, equipment and vehicles.

Capital Adjustment Account

This is money set aside in the Council's accounts for capital spending and to repay loans.

Capital receipt

Capital receipts are proceeds from the sale of fixed assets such as land or buildings.

Cash flow Statement

This is a statement that summarises the movements in cash during the year.

Comprehensive Income and Expenditure Statement

This account records day-to-day spending and income on items such as salaries and wages, running costs of services and the financing of capital expenditure.

Contingent liabilities

A Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed by the occurrence of uncertain future events.

Corporate and Democratic Core (CDC)

CDC is a service defined by the Best Value Accounting Code of Practice representing costs relating to Member activity (Democratic Representation and Management) and costs that provide the infrastructure to ensure that services can be provided (Corporate Management).

Creditor

A creditor is an organisation / someone owed money by the Council at the end of the financial year for goods / services received during the financial year or previous years.

Current assets

These are short-term assets that are available for the Council to use in the following accounting year.

Current liabilities

These are short-term liabilities that are due for payment by the Council in the following accounting year.

Debtor

A debtor is an organisation / someone who owed the Council money at the end of the financial year for goods / services received during the financial year or previous years.

Delegated schools balances

Under the Local Management of Schools provisions, any balances accrued at year end are delegated to individual schools. These funds are held outside of the Council's Council Fund balances.

Depreciation

Depreciation is the estimated loss in value of fixed assets that are presented in the Balance Sheet.

Earmarked reserves

These are reserves set aside for a specific purpose.

Escrow account

Escrow is a legal arrangement whereby money is delivered to a third party (called an escrow agent) to be held in trust pending a contingency or the fulfillment of a condition or conditions in a contract.

Expenditure and Funding Statement

This statement brings together local authority performance reported on the basis of expenditure measured under proper accounting practices with statutorily defined charges to the Council Fund.

Financial Year

This is the accounting period. For local authorities it starts on 1 April and finishes on 31 March of the following year.

Finance leases

Finance leases are used to finance purchases where the Council takes on most of the risks associated with owning the asset.

Government grants

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in form of cash or transfers of assets to a Council in return for past or future compliance with certain conditions relating to the activities of the Council.

International Financial Reporting Standard (IFRS)

Financial regulations to be followed as set by the Accounting Standards Board (ASB).

Inventories

Inventories are raw materials purchased for day to day use. The value of these items that have not been used at the end of the financial year are shown as current assets in the balance sheet.

Leasing

This is a method of financing capital expenditure by paying the owner to use property or equipment for a number of years.

Liability

A liability is an amount payable at some time in the future.

Minimum Revenue Provision (MRP)

This is an amount that has been set aside to repay loans. This should be a prudent amount.

Movement in Reserves Statement (MIRS)

This statement shows the movement in the year on different reserves held by the Council.

National Non-Domestic Rates (NNDR)

The NNDR, or Business Rate, is the charge to occupiers of business premises. The money collected is paid to the Welsh Government and redistributed to individual authorities in proportion to their adult population.

Net Realisable Value

The selling price of an asset, reduced by the relevant (direct) cost of selling it.

Non Distributable Costs (NDC)

NDC is a category of costs defined by the Best Value Accounting Code of Practice. It represents:

- costs of unused I.T. facilities,
- costs of long term unused, unrealisable assets,
- certain pension fund costs

Open Market Value in Existing Use (OMVEU)

OMVEU is a basis for valuation of fixed assets.

Operating assets

These are assets used in the running / provision of services.

Operating leases

These are leases where risks of ownership of the asset remain with the owner.

Post balance sheet events

Post balance sheet items are those that arise after the Balance Sheet date. These are items that did not exist at the time the Balance Sheet was prepared but should be disclosed if they are relevant to the fair presentation of the accounts.

Precepts

This is the amount paid to a non-billing Council (for example a community council) so that it can cover its expenses (after allowing for its income).

Prior year adjustment

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors.

Provision

A provision is an amount we set aside in our accounts for expected liabilities which we cannot measure accurately.

Private finance initiative (PFI) – a central government initiative which aims to increase the levels of funding available for public services by attracting private sources of finance. The PFI is supported by a number of incentives to encourage authorities' participation.

Public Works Loan Board (PWLB)

This is a Government agency which provides longer term loans to local authorities. It charges interest rates only slightly higher than those at which the Government can borrow.

Related party transactions

These are the transfer of assets or liabilities or the performance of services by, to or for a related party no matter whether a charge is made.

Revaluation Reserve

This represents the non-distributable increase/decrease in the valuation of fixed assets.

Revenue account

This is an account which records our day to day spending and income on items such as salaries and Wages, running costs of services and the financing of capital expenditure.

Service Reporting Code of Practice (SerCOP)

The Service Reporting Code of Practice provides a consistent framework for reporting local authority data. SeRCOP is reviewed annually by the appropriate regulating body to ensure that it develops in line with the needs of modern local government, Transparency, Best Value and public services reform

Temporary borrowing or investment

This is money borrowed or invested for an initial period of less than one year.

Trust fund

Trust funds hold money on behalf of an individual or organisation. Trustees administer the funds for the owners.

Work in progress (WIP)

Work in progress is the value of work undertaken on an unfinished project at the end of the financial year, which has not yet been charged to the revenue account.

BRIDGEND COUNTY BOROUGH COUNCIL

INFORMATION REPORT TO COUNCIL

4 OCTOBER 2017

REPORT OF THE MONITORING OFFICER

URGENT DELEGATED DECISIONS

1. Purpose of Report.

- 1.1 To report to Council delegated decisions taken as a matter of urgency under the Scheme of Delegation of Functions.

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

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

3. Background.

- 3.1 These decisions are required to be reported to Council under Paragraph 18 of the Overview & Scrutiny Procedure Rules which are to be found at Part 4 of the Constitution.

4. Current situation / proposal.

- 4.1 The Decisions so taken under Scheme A paragraph 1.1 and which therefore bypass the call-in procedure (as set out in paragraph 19 of Part 4 Rules of Procedure within the Constitution), are summarised as follows:-
- 4.2 CMM-LEI-17-008 – Upper Llynfi Valley, Site Inspection works - Date of decision 8 September 2017.
- 4.3 OPS-LEG-17-821 – Variation Agreement, Capita Glamorgan Consultancy Ltd - Date of decision 30 August 2017.

5. Effect upon Policy Framework & Procedure Rules.

- 5.1 This report has no effect on the Council's Policy Framework and Procedure Rules.

6. Equality Impact Assessment

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

7. Financial Implications.

- 7.1 There are no financial implications relating to the report.

8. Recommendation.

8.1 It is recommended that Council notes the report.

P A Jolley
Corporate Director Operational and Partnership Services & Monitoring Officer
September 2017

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Background documents

Delegated Decisions referred to in Paragraphs 4.2 and 4.3 of the report.